DECLARATION OF RESPONSIBILITY ON THE CONTENT OF THE ANNUAL FINANCIAL REPORT FOR THE YEAR CLOSED AT 30 SEPTEMBER 2023
(Translation for information purposes)

Members of Board of Directors of Compañía de Distribución Integral Logista Holdings, S.A. declare that, to the best of their knowledge, the individual and consolidated financial statements for the year ended 30 September 2023 (1 October 2022 - 30 September 2023), formulated by the Board of Directors at its meeting of November 7^{th} , 2023, and prepared in accordance with accounting principles that are applicable, provide a true and fair view of the equity, financial position and results of Compañía de Distribución Integral Logista Holdings, SA, as well as of the subsidiaries included in the consolidation taken as a whole, and that the Management individual and consolidated reports, and the integrated annual report, include a fair analysis of the performance and results and the position of Compañía de Distribución Integral Logista Holdings, SA and of the subsidiaries included in the consolidation taken as a whole, as well as a description of the main risks and uncertainties they face.

Mr. Gregorio Marañón y Bertrán de Lis
Chairman

Mr. Luis Isasi Fernández de Bobadilla
Vice Chairman

Mr. Íñigo Meirás Amusco
CEO

Ms. Cristina Garmendia Mendizábal
Director

Mr. Richard G. Hathaway
Director

Ms. Julia Lefèvre
Director

Mr. Murray H. McGowan
Director

Ms. Pilar Platero Sanz
Director

Ms. Jennifer Susan Ramsey
Director

Mr. David M. Tillekeratne
Director (sings on his behalf, by delagation, Mr. Murray McGowan)

Ms. María Echenique Moscoso del Prado
Secretary Director

Leganés, November 7^{th}, 2023

Audit Report on Financial Statements
issued by an Independent Auditor

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.
Financial Statements and Management Report
for the year ended
September 30, 2023

Ernst & Young, S.L.
C/ Raimundo Fernández Villaverde, 65
28003 Madrid

Tel: 902 365 456
Fax: 915 727 238
ey.com

AUDIT REPORT ON FINANCIAL STATEMENTS ISSUED BY AN INDEPENDENT AUDITOR

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails (See Note 14)

To the shareholders of COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.:

Report on the financial statements

Opinion

We have audited the financial statements of COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A. (the Company), which comprise the balance sheet as at September 30, 2023, the income statement, the statement of changes in equity, the cash flow statement, and the notes thereto for the year then ended ("2023").

In our opinion, the accompanying financial statements give a true and fair view, in all material respects, of the equity and financial position of the Company as at September 30, 2023 and of its financial performance and its cash flows for the year then ended in accordance with the applicable regulatory framework for financial information in Spain (identified in Note 2.1 to the accompanying financial statements) and, specifically, the accounting principles and criteria contained therein.

Basis for opinion

We conducted our audit in accordance with prevailing audit regulations in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those related to independence, that are relevant to our audit of the financial statements in Spain as required by prevailing audit regulations. In this regard, we have not provided non-audit services nor have any situations or circumstances arisen that might have compromised our mandatory independence in a manner prohibited by the aforementioned requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters.

Impairment of non-current investments in Group companies and associates

Description	At year-end 2023, the Company had recognized in non-current assets investments in the equity of group companies and associates amounting to 2,717 million euros, which represent 51% of the total assets. The Company recognizes impairment losses whenever there is objective evidence that the carrying amount of said investments may not be recoverable, being the amount of the impairment loss the difference between the investment's carrying and recoverable amounts. Recoverable amount is determined using complex estimates based on the application by Company Management of criteria, judgments, and hypotheses. We have determined this matter to be a key audit matter due to the significance of the amounts and the complexity inherent to the estimation process to determine the recoverable amount of these investments. The information related to the criteria applied by Company Management and the principal hypotheses used in determining impairment losses from investments in group companies and associates are described in Note 4.1 to the accompanying financial statements.
Our response	Our audit procedures include, among others, the following: ▶ Understanding the processes established by Company Management to determine impairment on non-current investments in group companies and associates including assessment of the design and implementation of relevant controls. ▶ Analyzing indications of impairment and, where necessary, reviewing the model used by Company Management to determine recoverable amount in collaboration with our valuation specialists, focusing particularly on the model's mathematical coherence, the reasonableness of projected cash flows, discount rates, and long-term growth rates. ▶ Contrast the trading value of the Company at year-end. ▶ Reviewing the disclosures in the financial statements in accordance with the applicable financial reporting framework.

Other information: management report

Other information refers exclusively to the 2023 management report, the preparation of which is the responsibility of the Company's directors and is not an integral part of the financial statements.

Our audit opinion on the financial statements does not cover the management report. Our responsibility for the management report, in conformity with prevailing audit regulations in Spain, entails:

a. Checking only that certain information included in the Corporate Governance Report and in the Board Remuneration Report, to which the Audit Law refers, was provided as stipulated by applicable regulations and, if not, disclose this fact.

b. Assessing and reporting on the consistency of the remaining information included in the management report with the financial statements, based on the knowledge of the entity obtained during the audit, in addition to evaluating and reporting on whether the content and presentation of this part of the management report are in conformity with applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to disclose this fact.

Based on the work performed, as described above, we have verified that the information referred to in paragraph a) above is provided as stipulated by applicable regulations and that the remaining information contained in the management report is consistent with that provided in the 2023 financial statements and its content and presentation are in conformity with applicable regulations.

Responsibilities of the directors and the Audit, Control and Sustainability Committee for the financial statements

The directors are responsible for the preparation of the accompanying financial statements so that they give a true and fair view of the equity, financial position and results of the Company, in accordance with the regulatory framework for financial information applicable to the Company in Spain, identified in Note 2.1 to the accompanying financial statements, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Audit, Control and Sustainability Committee is responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with prevailing audit regulations in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with prevailing audit regulations in Spain, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit, Control and Sustainability Committee of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit, Control and Sustainability Committee of the Company with a statement that we have complied with relevant ethical requirements, including those related to independence, and to communicate with them all matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit, Control and Sustainability Committee of the Company, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

European single electronic format

We have examined the digital file of the European single electronic format (ESEF) of COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A. for the 2023 financial year, consisting of an XHTML file containing the financial statements for the year, which will form part of the annual financial report.

The directors of COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A. are responsible for submitting the annual financial report for the 2023 financial year, in accordance with the formatting requirements set out in Delegated Regulation EU 2019/815 of 17 December 2018 of the European Commission (hereinafter referred to as the ESEF Regulation). In this regard, the Corporate Governance Report and the Board remuneration report have been incorporated by reference in the management report.

Our responsibility consists of examining the digital file prepared by the directors of the Company, in accordance with prevailing audit regulations in Spain. These standards require that we plan and perform our audit procedures to obtain reasonable assurance about whether the contents of the financial statements included in the aforementioned digital file correspond in their entirety to those of the financial statements that we have audited, and whether the financial statements and the aforementioned file have been formatted, in all material respects, in accordance with the ESEF Regulation.

In our opinion, the digital file examined corresponds in its entirety to the audited financial statements, which are presented, in all material respects, in accordance with the ESEF Regulation.

Additional report to the Audit, Control and Sustainability Committee

The opinion expressed in this audit report is consistent with the additional report we issued to the Audit, Control and Sustainability Committee on November 7, 2023.

Term of engagement

The ordinary general shareholders' meeting held on February 7, 2023 appointed us as auditors for 3 years, commencing on September 30, 2023.

Previously, we were appointed as auditors by the shareholders for 3 years and we have been carrying out the audit of the financial statements continuously since September 30, 2020.

ERNST & YOUNG, S.L.
(Registered in the Official Register of Auditors under No. S0530)

(Signed on the original version in Spanish)

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María del Tránsito Rodríguez Alonso
(Registered in the Official Register of Auditors under No. 20539)

November 7, 2023

Compañía de Distribución Integral Logista Holdings, S.A.

Financial Statements for the year ended 30 September 2023 and Director's Report

Translation from the original issued in Spanish. In the event of discrepancy, the Spanish-language version prevails.

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.
BALANCE SHEET AT 30 SEPTEMBER 2023 AND 2022
(Thousands of Euros)

ASSETS	Notes	30-09-2023	30-09-2022
NON-CURRENT ASSETS:		2,716,686	2,518,074
Non-current investments in Group companies and associates-	Note 5.1	2,716,686	2,518,074
Equity instruments		2,716,686	2,518,074
CURRENT ASSETS:		2,637,052	2,873,649
Current tax receivables	Note 7	24,743	1,700
Current investments in Group companies and associates	Note 9.1	2,610,600	2,819,671
Prepayments for current assets		46	36
Cash and cash equivalents-		1,663	52,242
Cash		1,663	52,242
TOTAL ASSETS		5,353,738	5,391,723

EQUITY AND LIABILITIES	Notes	30-09-2023	30-09-2022
EQUITY:	Note 6	1,490,491	1,413,446
SHAREHOLDERS' EQUITY:		1,490,491	1,413,446
Share capital		26,550	26,550
Share premium		867,808	867,808
Reserves		409,115	398,189
Legal reserves		5,310	5,310
Other reserves		403,805	392,879
Other contributions of the shareholders		6,002	5,386
Interim dividend		(64,619)	(56,714)
Treasury shares		(21,265)	(16,600)
Profit for the period		266,900	188,828
NON - CURRENT LIABILITIES:		100,265	93,528
Deferred tax liabilities	Note 7.5	100,265	93,528
CURRENT LIABILITIES:		3,762,982	3,884,749
Short-term Debt	Note 5.1	5,040	-
Group companies and associates debt short-term	Note 9.1	3,751,514	3,879,097
Trade and other payables-		6,428	5,652
Payable to suppliers		1,223	1,098
Other debts with public authorities	Note 7.1	5,205	4,555
TOTAL EQUITY AND LIABILITIES		5,353,738	5,391,723

The accompanying Notes 1 to 14 are an integral part of the balance sheet at 30 September 2023.

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.
INCOME STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2023 AND 2022
(Thousands of Euros)

	Notes	2023	2022
Revenue:		**366,525**	**214,622**
Income from investments in equity instruments	Note 5.1 & 8.1	272,774	192,581
Finance income on investments to Group companies and associates	Note 9.2	93,751	22,041
Finance costs:	Note 9.2	**(95,048)**	**(22,369)**
On debts to Group companies and associates		(95,048)	(22,369)
Staff costs:	Note 8.2	**(1,044)**	**(1,070)**
Wages, salaries and similar expenses		(1,044)	(1,070)
Other Operating expenses		**(957)**	**(692)**
Impairment and gains/(losses) on disposal of financial instruments	Note 5.1	**(12)**	**223**
PROFIT FROM OPERATIONS		**269,464**	**190,714**
Finance income:		**12**	**4**
Other		12	4
Exchange Gain (loss)		-	**(14)**
FINANCIAL LOSS		**12**	**(10)**
PROFIT BEFORE TAX		**269,476**	**190,704**
Income tax	Notes 7.3 & 7.4	(2,576)	(1,876)
PROFIT FOR THE YEAR		**266,900**	**188,828**

The accompanying Notes 1 to 14 are an integral part of the income statement at 30 September 2023.

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2023 AND 2022
A) STATEMENT OF RECOGNISED INCOME AND EXPENSE
(Thousands of Euros)

	Notes	2023	2022
PROFIT PER INCOME STATEMENT	**Note 3**	**266,900**	**188,828**
TOTAL INCOME AND EXPENSE RECOGNIZED DIRECTLY IN EQUITY		-	-
TOTAL TRANSFERS TO PROFIT OR LOSS		-	-
TOTAL RECOGNIZED INCOME AND EXPENSE		**266,900**	**188,828**

The accompanying Notes 1 to 14 are an integral part of the statement of recognised income and expense for the financial year ending 30 September 2023.

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2023 AND 2022
B) STATEMENT OF CHANGES IN TOTAL EQUITY
(Thousands of Euros)

	Share Capital	Share Premium	Reserves	Other Contributions from Shareholders	Interim Dividend	Treasury Shares	Profit / (Loss) for the Period	Total
BALANCE AT 30-09-2021	**26,550**	**867,808**	**283,892**	**5,124**	**(54,116)**	**(14,346)**	**276,645**	**1,391,557**
Total recognised income and expense	-	-	-	-	-	-	188,828	188,828
Transactions with shareholders:								
Equity-instrument-based transactions (Notes 6.5 and 6.7)	-	-	506	262	-	1,663	-	2,431
Operations with treasury shares	-	-	718	-	-	(3,917)	-	(3,199)
Distribution of profit from financial year 2021	-	-	113,073	-	54,116	-	(276,645)	(109,456)
Interim dividends (Note 6.4)	-	-	-	-	(56,714)	-	-	(56,714)
BALANCE AT 30-09-2022	**26,550**	**867,808**	**398,189**	**5,386**	**(56,714)**	**(16,600)**	**188,828**	**1,413,446**
Total recognised income and expense	-	-	-	-	-	-	266,900	266,900
Transactions with shareholders:								
Equity-instrument-based transactions (Notes 6.5 and 6.7)	-	-	(735)	616	-	2,667	-	2,548
Operations with treasury shares	-	-	4,803	-	-	(7,332)	-	(2,529)
Distribution of profit from financial year 2022	-	-	6,858	-	56,714	-	(188,828)	(125,256)
Interim dividends (Note 6.4)	-	-		-	(64,619)	-	-	(64,619)
BALANCE AT 30-09-2023	**26,550**	**867,808**	**409,115**	**6,002**	**(64,619)**	**(21,265)**	**266,900**	**1,490,491**

The accompanying Notes 1 to 14 are an integral part of the statement of changes in equity for the financial year ending 30 September 2023.

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 SEPTEMBER 2023 AND 2022
(Thousands of Euros)

	Notes	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		**254,468**	**250,537**
Profit before tax		**269,476**	**190,704**
Adjustments for-		**1,297**	**114**
Finance costs	**Note 9.2**	95,048	22,369
Finance income	**Note 9.2**	(93,763)	(22,045)
Valuation adjustments for impairment	**Note 5.1**	12	(223)
Exchange gain or loss		-	14
Changes in working capital-		**36,711**	**32,929**
Trade and other payables		125	(23)
Other non-current liabilities		521	-
Other current liabilities		5,691	(290)
Other current assets		30,374	33,242
Other cash flows from operating activities-		**(53,016)**	**26,789**
Interest paid	**Note 9.2**	(95,048)	(22,369)
Interest received		93,763	22,031
Collection/Payments for income tax		(51,731)	27,126
CASH FLOWS FROM FINANCING ACTIVITIES:		**(305,047)**	**(200,231)**
Payments for investments		**(177,794)**	**271**
Group companies and associates	**Note 5**	(177,794)	271
Proceeds and payments relating to equity instruments-	**Note 6**	**(2,529)**	**(2,254)**
Acquisition of treasury shares		(2,529)	(2,254)
Proceeds and payments relating to financial liability instruments-	**Note 9.1**	**65,151**	**(32,077)**
Repayment of debts to group companies		**65,151**	(32,077)
Dividends payment and remuneration of other equity instruments-		**(189,875)**	**(166,170)**
Dividends payment		(189,875)	(166,170)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS		**(50,579)**	**50,306**
Cash and cash equivalents at beginning of year		52,242	1,936
Cash and cash equivalents at end of year		1,663	52,242

The accompanying Notes 1 to 14 are an integral part of the statement of cash flow for the financial year ending 30 September 2023.

Compañía de Distribución Integral Logista Holdings, S.A.

Notes to the annual Financial Statements for the
year ended 30 de September de 2023

1. Company activity

Compañía de Distribución Integral Logista Holdings, S.A., was incorporated as a sociedad anónima (Spanish public limited company) on 13 May 2014, with its sole shareholder being Altadis S.A.U., a company belonging to the Imperial Brands PLC Group. On 26 May 2014, the Company was registered in the Mercantile Registry as a sole-shareholder company.

The Company's registered office is at Polígono Industrial Polvoranca, calle Trigo, número 39, Leganés (Madrid).

On 4 of June 2014, the Company effected a capital increase with all shares subscribed by Altadis S.A.U. through non-monetary contribution of shares representing 100% of the share capital of Compañía de Distribución Integral Logista, S.A.U., until that time the parent company of the Logista Group, from then onwards, the Company became the Parent of the aforementioned Group.

The offering of shares in the Company came to an end on the 14 July 2014, and its shares are currently listed for trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges (see Note 6).

The reporting period of most of the Group companies starts on 1 October of each year and ends on 30 September of the following year. The twelve-month period ended 30 September 2023 will hereinafter be referred to as "2023"; the period ended 30 September 2022 as "2022", and so on.

The activity performed by the Company since its incorporation has been that of a holding company. The company is the Parent of a distributor and logistics operator Group, which provides various distribution channels with a wide range of value-added products and services, including tobacco and tobacco by-products, convenience goods, electronic documents and products (such as mobile phone and travel card top-ups), drugs, books, publications and lottery tickets. In order to provide these services, the Group has a complete infrastructure network, which spans the whole value chain, from picking to POS delivery.

On 22 March 2021, and effective for accounting purposes from 1 October 2020, the simplified merger by absorption between Compañía de Distribución Integral Logista Holdings, S.A. (the Absorbing Company) and Logista Investments, S.L.U. (the Absorbing Company) was registered with the Madrid Mercantile Registry. (Absorbing Company) and the company Logista Investments, S.L.U. (Absorbed Company).

The Company, as parent of a group of subsidiaries, prepares consolidated financial statements separately in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRSs). The consolidated financial statements of Logista Group for fiscal year 2023 were formally prepared by its directors at the Board of Directors meeting held on 7 November 2023.

On 20 July 2021 there was a change in the majority shareholder of the Company to Imperial Tobacco Limited, an entity belonging to the Imperial Brands PLC group, which is governed by the commercial legislation in force in the United Kingdom, with registered office at 121 Winterstoke Road, Bristol BS3 2LL (United Kingdom). The consolidated financial statements of the Imperial Brands PLC group for the fiscal year 2022 were authorized for issue by the directors at a meeting of the board of directors held on 15 November 2022.

2. Basis of presentation of the financial statements

2.1 Regulatory financial reporting framework applicable to the Company

These financial statements were formally prepared by the Directors in accordance with the regulatory financial reporting framework applicable to the Company, which consists of:

a. The Spanish Commercial Code and all other Spanish corporate law.

b. Law on Corporations consolidated text.

c. The Spanish National Chart of Accounts approved by Royal Decree 1514/2007, on the 16 November, and which since its publication has known several amendments, and the last of these amendments thereto introduced by Royal Decrees 1/2021, on the 12 of January, and its implementing regulations.

d. The mandatory rules approved by the Spanish Accounting and Audit Institute in order to implement the Spanish National Chart of Accounts and the relevant secondary legislation.

e. All other applicable Spanish accounting legislation.

These annual accounts, which have been prepared by the Company's Directors, will be approved by General Shareholders' Meeting, and it is expected that they will be approved without modification.

2.2 Fair presentation

The financial statements for 2023, which were obtained from the Company's accounting records, are presented in accordance with the regulatory financial reporting framework applicable to the Company and, in particular, with the accounting principles and rules contained therein and, accordingly, present fairly the Company's equity, financial position, results of operations and cash flows for the corresponding period.

The financial statements for 2022 were approved at the Annual General Meeting held on 7th of February 2023.

2.3 Accounting principles applied

The directors formally prepared these financial statements taking into account all the obligatory accounting principles and standards with a significant effect hereon.

2.4 Key issues in relation to the measurement and estimation of uncertainty

In preparing the accompanying financial statements estimates were made by the Company's Directors in order to measure certain of the assets, liabilities, income, expenses and obligations reported herein. These estimates relate basically to the following:

- The calculation of allowances for financial assets (see Note 4.1).

- The assessment of the long-term obligations to employees of the companies in the Group headed by the Company (see Note 4.4).

- The assessment of the income tax expense (see Note 4.3).

Climate change risks have been considered in the estimates made. The costs derived from the Sustainability strategy are incorporated into the Company's budgets and business plans, which generally cover a period of three years, which are used for the impairment analysis of the Company's financial assets (Note 4.1). However, given the nature of the Company's assets as well as the mitigation measures the Company is implementing as part of its sustainability strategy the risk derived from climate change is not considered to have a relevant impact on the estimates of the impairment test of financial assets.

Although these estimates were based on the best information available at the close of 2023, it is possible that future events may require these to be raised or lowered in the coming years. This would be done prospectively, recognizing the effects of the changes in accounting estimates in the relevant future financial statements.

2.5 Comparative information

The information relating to 2022 included in these notes to the financial statements is presented solely for comparison purposes with that relating to 2023.

2.6 Grouping of items

Certain items in the balance sheet, income statement, statement of changes in equity and statement of cash flows are grouped together to facilitate their understanding; however, whenever the amounts involved are material, the information is broken down in the related notes to the financial statements.

2.7 Materiality

In preparing these financial statements the Company omitted any information or disclosures which, not requiring disclosure due to their qualitative importance, were considered not to be material in accordance with the concept of Materiality defined in the conceptual framework applicable to the Company.

2.8 Going Concern

At 30 September 2023 the Company had negative working capital 1,126 millions of euros (1,011 million of euros at 30 September 2022). However, almost all of the current liabilities correspond to debts with Group companies. At the same time, the Company's Directors estimate that the cash flows generated by the Company and the financing lines available with the Imperial Brands PLC Group Companies and Compañía de Distribución Integral Logista, S.A.U. allow current liabilities to be met (see Note 9). Consequently, the Company's Directors have prepared the annual accounts in accordance with the going concern principle.

3. Distribution of profit

The proposed distribution of the profit for 2023, amounting to 266,900 thousand euros, that the Company's Directors will submit for approval by the shareholders at the Annual General Meeting is as follows:

	Thousands of Euros
To voluntary reserves	21,741
Dividends	180,540
Interim dividend (Note 6.4)	64,619
	266,900

In accordance with current regulations, the Company assessed, on July 20, 2023, the sufficiency of liquidity at the date of approval of the interim dividend. The positive position of the reciprocal credit line with Imperial Brands for 2,410 million euros, and the net profit recorded of 119.4 million euros, both as of June 30, 2023, were considered sufficient for the payment of the approved interim dividend.

4. Accounting policies and measurement bases

The principal accounting policies and measurement bases used by the Company in preparing its financial statements for 2023, in accordance with the Spanish National Chart of Accounts, were as follows:

4.1 Financial instruments

The Company recognizes a financial instrument on the balance sheet when it becomes an obligated party to the contract or legal transaction in accordance with the provisions thereof, either as issuer or as an investor or acquirer. Financial instruments are recognized on the balance sheet when it becomes an obligated party to the contract or legal transaction in accordance with the provisions thereof, either as an issuer or as an investor or acquirer of the contract.

4.1.i Financial assets

Classification and valuation

At the time of initial recognition, the Company classifies all financial assets into one of the categories listed below, which determines the applicable initial and subsequent valuation method:

- Financial assets at fair value with changes in the income statement

- Financial assets at amortized cost

- Financial assets at fair value with changes in equity

- Financial assets at cost

Financial Assets at Amortized Costs

The Company classifies a financial asset in this category, even when it is admitted to trading on an organized market, if the following conditions are met:

- The Company maintains the investment under a management model whose objective is to receive the cash flows derived from the execution of the contract.

  The management of a portfolio of financial assets in order to obtain its contractual flows does not necessarily imply that all instruments must be held to maturity; Financial assets may be considered to be managed for that purpose even if sales have occurred or are expected to occur in the future. To this end, the Company considers the frequency, amount and timing of sales in prior periods, the reasons for those sales and expectations regarding future sales activity.

- The contractual characteristics of the financial asset give rise, on specified dates, to cash flows that are only principal and interest collections on the amount of outstanding principal. That is, cash flows are inherent in an arrangement that is in the nature of an ordinary or common loan, notwithstanding that the transaction is agreed at a zero or below-market interest rate.

  It is assumed that this condition is met, in the event that a bond or a simple loan with a certain maturity date and for which the Company charges a variable market interest rate, may be subject to a limit. Conversely, it is assumed that this condition is not met in the case of instruments convertible into equity instruments of the issuer, loans with inverse variable interest rates (i.e. a rate that has an inverse relationship with market interest rates) or those in which the issuer may defer the payment of interest, if such payment would affect its solvency, without the deferred interest accruing additional interest.

In general, credits due to trade transactions ("trade receivables for sales and provision of services", including group companies) and credits due to non-trade transactions ("other receivables") are included in this category.

Financial assets classified in this category are initially measured at their fair value, which, unless there is evidence to the contrary, is assumed to be the transaction price, which is equal to the fair value of the consideration paid, plus any transaction costs directly attributable to them. That is, the inherent transaction costs are capitalized.

However, credits due to trade transactions with a maturity of no more than one year and which do not have an explicit contractual interest rate, as well as loans to personnel, dividends receivable and disbursements required on equity instruments, the amount of which is expected to be received in the short term, are valued at their nominal value when the effect of not updating cash flows is not significant.

For subsequent valuation, the amortized cost method is used. Accrued interest is recorded in the profit and loss account (financial income) using the effective interest rate method.

Credits maturing in no more than one year which, as explained above, are initially valued at their nominal value, will continue to be valued at that amount, unless they have been impaired.

In general, when the contractual cash flows of a financial asset at amortized cost are modified due to the issuer's financial difficulties, the Company analyzes whether an impairment loss should be recognized.

Financial assets at cost

The Company includes in this category, in any case:

a) Investments in equity of group, multigroup and associated companies.

b) Other investments in equity instruments whose fair value cannot be determined by reference to a price quoted on an active market for an identical instrument, or cannot be reliably estimated, and derivatives underlying those investments.

c) Hybrid financial assets whose fair value cannot be reliably estimated, unless the requirements for accounting for them at amortized cost are met.

d) Contributions made as a result of a contract of joint accounts and similar.

e) Participative loans whose interest is contingent, either because a fixed or variable interest rate is agreed conditional on the fulfillment of a milestone in the borrowing company (for example, the obtaining of profits), or because they are calculated exclusively by reference to the evolution of the activity of said company.

f) Any other financial asset that should initially be classified in the fair value portfolio with changes in the profit and loss account where it is not possible to obtain a reliable estimate of its fair value.

Investments included in this category are initially measured at cost, which is equal to the fair value of the consideration delivered plus any transaction costs directly attributable to them. That is, the inherent transaction costs are capitalized. The criterion used to value the shares received through of a non-monetary contribution made by Altadis, S.A.U. (former majority shareholder of the Company) was to maintain the value at which the contributed shares were recorded in the individual financial statements of the contributing company at the date of the contribution.

In the case of investments in group companies, if there is an investment prior to its classification as a group company, multi-group or associate, the cost of that investment will be considered to be the book value that it should have had immediately before the company becomes classified as such.

The subsequent valuation is also at cost, minus, where applicable, the cumulative amount of impairment adjustments.

Contributions made as a result of a joint venture agreement and similar accounts are valued at cost, increased or decreased by the profit or loss, respectively, corresponding to the company as a non-managing participant, minus, where applicable, the accumulated amount of impairment adjustments.

The same criterion applies to participative loans whose interest is contingent, either because a fixed or variable interest rate is agreed conditional on the achievement of a milestone in the borrowing company (for example, the achievement of profits), or because they are calculated exclusively by reference to the evolution of the activity of that company. If, in addition to contingent interest, an irrevocable fixed interest is agreed, the latter is accounted for as financial income on the basis of its accrual. Transaction costs are charged to the profit and loss account on a straight-line basis over the life of the participative loan.

Balance sheet deregistration of financial assets

The Company deregisters a financial asset from its balance sheet when:

- Contractual rights to the cash flows of the asset expire. In this sense, a financial asset is deregistered when it has matured, and the Company has received the corresponding amount.

- The contractual rights to the cash flows of the financial asset have been transferred. In this case, the financial asset is decommissioned when the risks and profits inherent in its ownership have been substantially transferred. In particular, in sales transactions with a repurchase agreement, factoring and securitization, the financial asset is deregistered once the Company's exposure, before and after the disposal, to the change in the amounts and timing of the net cash flows of the transferred assets has been compared. It follows that the risks and benefits have been transferred.

After the analysis of the risks and benefits, the Company records the deregistration of financial assets according to the following situations:

a) The risks and benefits inherent in the ownership of the asset have been substantially transferred. The transferred asset is derecognized from the balance sheet and the Company recognizes the result of the transaction: the difference between the consideration received net of attributable transaction costs (considering any new assets obtained less any liabilities assumed) and the carrying amount of the financial asset, plus any accumulated amounts that have been recognized directly in equity.

b) The risks and benefits inherent in the ownership of the asset have been substantially retained by the Company. The financial asset is not written off and a financial liability is recognized for the same amount as the consideration received.

c) The risks and rewards inherent in the ownership of the asset have not been substantially transferred or retained. In this case, there are two possible situations:

o Control is transferred (the assignee has the practical ability to re-transfer the asset to a third party): the asset is written off.

o Control is not transferred (the transferee does not have the practical capacity to transfer the asset back to a third party): the Company continues to recognize the asset for the amount to which it is exposed to changes in the value of the transferred asset, i.e. its continued involvement, and must recognize an associated liability.

Impairment of financial assets

Debt instruments at amortized cost

At least at the end of the financial year, the Company analyzes whether there is objective evidence that the value of a financial asset, or a group of financial assets with similar risk characteristics collectively valued, has deteriorated as a result of one or more events that have occurred after its initial recognition and that cause a reduction or delay in estimated future cash flows which may be motivated by the insolvency of the debtor.

Where such evidence exists, the impairment loss is calculated as the difference between the carrying amount and the present value of future cash flows, including, where applicable, those from the enforcement of security interests and personal guarantees, which are estimated to be generated, discounted at the effective interest rate calculated at the time of initial recognition. For financial assets at a variable interest rate, the effective interest rate corresponding to the closing date of the annual accounts is used in accordance with the contractual conditions. In calculating impairment losses on a group of financial assets, the Company uses models based on formulas or statistical methods.

Impairment adjustments, as well as their reversal when the amount of such loss decreases due to causes related to a subsequent event, are recognized as an expense or an income, respectively, in the profit and loss account. The reversal of impairment is limited to the carrying amount of the asset that would have been recognized on the reversal date if the impairment had not been recorded.

As a substitute for the present value of future cash flows, the Company uses the market value of the instrument, provided that it is sufficiently reliable to be considered representative of the value that the Company could recover.

Financial assets at cost

In this case, the amount of the valuation adjustment is the difference between its carrying amount and the recoverable amount, understood as the greater of its fair value less selling costs and the present value of the future cash flows derived from the investment, which in the case of equity instruments are calculated, by estimating its participation in the cash flows expected to be generated by the investee company, arising both from its ordinary activities and from its disposal or deregistration in accounts. Unless there is better evidence of the recoverable amount of investments in equity instruments, the estimate of impairment loss for this asset class is calculated based on the investee's equity and the tacit capital gains existing at the valuation date, net of the tax effect.

Value in use is calculated from an estimate of the cash flows that each cash-generating unit will generate in the future, discounted at a rate that reflects the current cost of money and the specific risks associated with the asset. Fair value means o the value at which the asset in question could be disposed of under normal conditions and is determined on the basis of market information, comparable transactions, etc.

The recognition of valuation adjustments for impairment and, where appropriate, their reversal, are recorded as an expense or income, respectively, in the profit and loss account. The impairment reversal is limited to the carrying amount of the investment that would be recognized on the reversal date if the impairment had not been recorded.

The Company uses the budgets and business plans of the cash generating unit to which the assets are allocated. The key assumptions on which the budgets and business plans are built are determined on the basis of each type of business and are based on experience and knowledge of the evolution of each of the markets in which the Group operates.

The extrapolation of the estimated cash flows for the period not covered by the business plan is carried out while maintaining a zero growth rate and an expense structure similar to that of the last year of the business plan.

The most relevant hypotheses used in the performance of the impairment test were the following:

	2023		2022	
	Discount rate	Growth Rate	Discount Rate	Growth Rate
Iberia, tobacco and related products	8,61%	0,00%	9,68%	0,00%
Italy, tobacco and related products	9,89%	0,00%	10,65%	0,00%
France, tobacco and related products	7,78%	0,00%	7,86%	0,00%
Iberia, transportation	10,61%	0,00%	10,84%	0,00%
Iberia, other business: Pharma	8,48%	0,00%	8,29%	0,00%

The discount rate used, in general, is a pre-tax measure based on the risk-free rate for 10-year bonds issued by the government in the relevant markets, adjusted by a risk premium to reflect the increase in investment risk by country and the Company's systematic risk.

The parameters considered for the composition of the previous discount rates have been:

- Risk-free bond: 10-year bond of the reference market of the CGU (Cash Generating Unit).

- Market risk premium: annual average of the risk premium of each country in the Group.

- Unleveraged beta: according to the average of each sector in each case.

-Debt/equity ratio: sectoral average.

As of September 30, 2023, the Company's Directors have concluded that there is impairment in the entity Logista Payments, S.L.U. amounting to 12 thousand euros (See Note 5.1).

As of September 30, 2022, the Company's Directors concluded that there was impairment in the entity Logista Payments, S.L.U. amounting to 47 thousand euros. In addition, the impairment recorded at Logista Polska, Z.o.o. was reversed for an amount of 270 thousand euros (See Note 5.1)

Interest and dividends received on financial assets

Interest and dividends on financial assets accrued after the time of acquisition are recorded as income in the profit and loss account. Interest is recognized using the effective interest rate method and dividends when entitlement to receive it is declared.

If the dividends distributed come unequivocally from results generated prior to the acquisition date because amounts greater than the profits generated by the investee since the acquisition have been distributed, they will not be recognized as income, and will reduce the book value of the investment. The judgment on whether profits have been generated by the investee will be made exclusively on the basis of the profits recorded in the individual profit and loss account from the date of acquisition unless the distribution against said profits must undoubtedly be qualified as a recovery of the investment from the perspective of the entity receiving the dividend.

4.1.ii Financial liabilities

<u>Classification and valuation</u>

At the time of initial recognition, the Company classifies all financial liabilities into one of the categories listed below:

- Financial liabilities at amortized cost

- Financial liabilities at fair value with changes in the income statement

Financial liabilities at amortized cost

The Company classifies all financial liabilities in this category except when they are to be measured at fair value with changes in the profit and loss account.

Generally, this category includes commercial transaction debits ("suppliers") and non-commercial transaction debits ("other creditors").

Participative loans that have the characteristics of an ordinary or common loan are also included in this category without prejudice to the operation being agreed at a zero or below-market interest rate.

Financial liabilities included in this category are initially measured at fair value, which, unless evidenced otherwise, is considered to be the transaction price, which equals the fair value of the consideration received adjusted for the transaction costs directly attributable to them. That is, the inherent transaction costs are capitalized.

However, debts for commercial transactions maturing not exceeding one year and not having a contractual interest rate, as well as disbursements required by third parties on units, the amount of which is expected to be paid in the short term, are valued at their nominal value, when the effect of not updating cash flows is not material. For the subsequent valuation, the amortized cost method is used. Accrued interest is recorded in the profit and loss account (financial expense), using the effective interest rate method.However, debts with a maturity not exceeding one year which, in accordance with the provisions above, are initially valued at their nominal value, will continue to be valued at that amount.

Contributions received as a result of a joint account contract and the like are valued at cost, plus or decrease by profit or loss, respectively, to be attributed to non-managing unit-holders.

The same criterion applies to participative loans whose interest is contingent, either because a fixed or variable interest rate is agreed conditional on the fulfillment of a milestone in the borrowing company (for example, the making of profits), or because they are calculated exclusively by reference to the evolution of the activity of the aforementioned company. Financial charges are recognized in the profit and loss account on an accrual basis and transaction costs shall be charged to the profit and loss account on a financial basis or, if not applicable, on a straight-line basis over the life of the equity loan.

Reduction of balance sheet of financial liabilities

The Company deregisters from the balance sheet a previously recognized financial liability when any of the following circumstances occur:

- The obligation has been extinguished because payment has been made to the creditor to cancel the debt (through payments in cash or other goods or services), or because the debtor is legally relieved of any responsibility over the liability.

- Financial liabilities are acquired, even with the intention of allocating them in the future.

- There is an exchange of debt instruments between the lender and the borrower, as long as they have substantially different conditions, recognizing the new financial liability that arises; In the same way, there is a substantial modification of the current conditions of a financial liability, as indicated for debt restructurings.

The write-down of a financial liability is carried out as follows: the difference between the carrying amount of the financial liability (or the part thereof that has been written off) and the consideration paid, including attributable transaction costs, and in which any assets transferred other than the cash or liability assumed must also be collected, it is recognized in the profit and loss account for the period in which it takes place.

Fair value

Fair value is the price that would be received for the sale of an asset or paid to transfer or cancel a liability through an orderly transaction between market participants on the valuation date. Fair value shall be determined without deduction for transaction costs that may be incurred by reason of disposal or disposal by other means. In no case does it have the character of fair value that it is the result of a forced, urgent transaction or as a result of an involuntary liquidation situation.

Fair value is estimated for a certain date and because market conditions may vary over time, that value may be inappropriate for another date. In addition, when estimating fair value, an enterprise considers the conditions of the asset or liability that market participants would take into account when pricing the asset or liability at the valuation date.

In general, fair value is calculated by reference to a reliable market value. For those elements for which there is an active market, fair value is obtained, where appropriate, through the application of valuation models and techniques. Valuation models and techniques include the use of references to recent transactions under conditions of mutual independence between interested parties and duly informed, if available, as well as references to the fair value of other assets that are substantially the same, discounting methods of estimated future cash flows and models generally used to value options.

In any case, the valuation techniques used are consistent with the methodologies accepted and used by the market for pricing, using, if any, the one that has been shown to obtain more realistic price estimates. They also consider the use of observable market data and other factors that their participants would consider when setting the price, limiting as much as possible the use of subjective considerations and unobservable or verifiable data.

The Company evaluates the effectiveness of the valuation techniques it uses on a periodic basis, using as a reference the observable prices of recent transactions in the same asset that is valued or using prices based on observable market data or indices that are available and applicable.

In this way, a hierarchy is deduced in the variables used in the determination of fair value and a fair value hierarchy is established that allows the estimates to be classified into three levels:

- Level 1: estimates using unadjusted quoted prices in active markets for identical assets or liabilities, which the company can access on the valuation date.

- Level 2: estimates using quoted prices in active markets for similar instruments or other valuation methodologies in which all significant variables are based on directly or indirectly observable market data.

- Level 3: estimates in which some significant variable is not based on observable market data.

A fair value estimate is classified at the same level of the fair value hierarchy as the lower-level variable that is material to the valuation outcome. For these purposes, a significant variable is one that has a decisive influence on the result of the estimate. The assessment of the importance of a particular variable for the estimation takes into account the specific conditions of the asset or liability being valued.

4.2 Revenue and expense recognition

In accordance with the Resolution of the Spanish Accounting and Auditing Institute (I.C.A.C.) 79/2009 Consultation 2, regarding the classification in the individual annual accounts of the income and expenses of a holding company, whose main activity is the holding of shares as well as the financing of the operations carried out by its investees, the Company classifies the income from dividends and interest earned on financing granted to its investees, under the heading "Revenue" in the income statement.

Likewise, an item must be created within the operating margin to record the valuation adjustments for impairment made to the different financial instruments associated with its activity, as well as the losses and expenses arising from their removal from the balance sheet or valuation at fair value.

Likewise, revenue and expenses are recognized on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises. Revenue is measured at the fair value of the consideration received, net of discounts and taxes.

Revenue

Revenue associated with the rendering of services is recognized by reference to the stage of completion of the transaction at the balance sheet date, provided that the outcome of the transaction can be estimated reliably.

Interest income from financial assets is recognized using the effective interest method and dividend income is recognized when the shareholder's right to receive payment has been established. Interest and dividends from financial assets accrued after the date of acquisition are recognized as income in the income statement.

Expenses

Expenses are recognized in the abridged income statement when there is a decrease in future economic benefits related to a reduction of an asset or an increase in a liability that can be measured reliably. This implies that the recording of an expense occurs simultaneously with the recording of the increase in the liability or reduction of the asset.

An expense is recognized immediately when a disbursement does not generate future economic benefits or when it does not meet the requirements for recognition as an asset.

4.3 Income tax

Tax expense (or tax income) comprises current tax expense (or current tax income) and deferred tax expense (or deferred tax income).

The current income tax expense is the amount payable by the Company as a result of income tax settlements for a given year. Tax credits and other tax benefits, excluding tax withholdings and pre-payments, and tax loss carry forwards from prior years effectively offset in the current year reduce the current income tax expense.

The deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences measured at the amount expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, and tax loss and tax credit carry forwards. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realised, or the liability is settled.

In general, deferred tax liabilities are recognised for all taxable temporary differences. However, deferred tax assets are recognised to the extent that it is considered probable that the Company will have taxable profits in the future against which the deferred tax assets can be utilised.

Also, unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that they will be recovered through future taxable profits.

The deferred tax assets recognised are reassessed at the end of each reporting period and the appropriate adjustments are made to the extent that there are doubts as to their future recoverability.

Deferred tax assets and liabilities arising from transactions charged or credited directly to equity are also recognised in equity.

From 2017 onwards, the Company is the parent of the tax group, with tax Group number 548/17 assigned.

4.4 Pension and other employee benefit obligations

All current share-based payment plans include vesting periods of three years. The vesting conditions are as follows:

1. Compliance with the objectives set for each period.

2. The achievement of these objectives must be approved by the Board of Directors at the end of each vesting period.

3. That the employee has not voluntarily resigned or has not been dismissed for disciplinary reasons during the vesting period.

The method of settlement is always through equity instruments delivered free of charge, although some beneficiaries receive them net of income tax.

On December 20, 2016, the Company's Board of Directors approved the long-term incentive plan (the General Plan and the Special Plan), for the period from 2017 to 2022, implemented in three blocks of three years each, with the first block commencing on October 1, 2017. During the years 2020 and 2021, the First and Second Consolidation Periods of the General and Special Plans 2017 will be consolidated, respectively.

On 28 January 2020, the Board of Directors approved the list of beneficiaries of the third block, with 62 beneficiaries included in the General Plan and 9 beneficiaries considered in the Special Plan. The total estimated cost of the third block of the plan amounts to 3,023 thousand euros. This third vesting period ended on September 30, 2022 with a total of 85,095 shares delivered, for a total cost of 1,787 thousand euros. These shares were delivered in some cases net of income tax. The consolidation took place after the approval of the Board of Directors on November 3, 2022, where the percentages of achievement were determined, which were 70% for the General Plan and 60% for the special plan, based on the fulfillment of its objectives: financial objective (EBIT) and comparative shareholder return.

On 26 November 2019, the Company's Board of Directors approved the Logista Group's 2020-2025 Long-Term Incentive Plan (the General Plan and the Special Plan), which accrues from 1 October 2020 and matures on 30 September 2025 and is implemented in three three-year blocks, with settlements occurring at the end of each block. This Plan was replaced by the 2020 Plan, which the Board of Directors approved on 28 January 2020, configuring it as an extension of the old 2017 Plan. This Plan was launched by the Board of Directors on 27 October 2020, with a single vesting period ending on 30 September 2023, with a list of beneficiaries and a maximum number of shares to be distributed for the vesting period 2021-2023 of 62 beneficiaries for the General Plan and 11 beneficiaries for the Special Plan, amounting to 2,812 thousand euros. This single Consolidation Period of the General and Special 2020 Plans has been consolidated at the end of fiscal year 23 with a 98.33% achievement of objectives for both Plans, based on the fulfillment of their objectives, which are: EBIT financial objective, comparative shareholder return and Sustainability objectives (emissions reduction and CDP-List score).

On February 4, 2021, the Board of Directors of the Company approved the Long-Term Incentive Plan (Plan 21-23) structured in three overlapping cycles of three years each. On November 4, 2021, the Board of Directors of the Company approved the list of beneficiaries of the first block, with 62 beneficiaries and for an estimated total cost of 3,275 thousand euros.

On November 3, 2022, the Board of Directors of the Company approved the list of beneficiaries of the second Consolidating Period of the 21-23 Plan, with 62 beneficiaries and an estimated total cost of 3,163 thousand euros.

The Company holds 751,989 treasury shares to cover the incentive plans in force.

On September 27, 2022, the Company's Board of Directors approved the purchase of treasury shares up to a maximum of 141,000 shares and until October 1, 2023, to cover the new incentive plan that was approved in November 2022.

Finally, on September 27, 2023, the Board of Directors of the Company approved the purchase of treasury shares up to a maximum of 118,000 shares and until October 1, 2024 to cover the new incentive plan that will be approved in November 2023.

4.5 Related party transactions

The Company performs all its transactions with related parties on an arm's length basis. Also, the transfer prices are adequately supported and, therefore, the Company's Directors consider that there are no material risks in this connection that might give rise to significant liabilities in the future.

4.6 Environmental assets and liabilities

Environmental assets are deemed to be assets used on a lasting basis in the Company's operations whose main purpose is to minimize environmental impact and protect and improve the environment, including the reduction or elimination of future pollution.

Because of their nature, the Company's business activity does not have a significant environmental impact.

4.7 Current and Non-current classification

Current assets are assets associated with the normal operating cycle, which in general is considered to be one year; other assets which are expected to mature, be disposed of or be realized within twelve months from the end of the reporting period, held-for-trading financial assets, and cash and cash equivalents. Assets that do not meet these requirements are classified as non-current assets.

Similarly, current liabilities are liabilities associated with the normal operating cycle, held-for-trading financial liabilities and, in general, all obligations that will mature or be extinguished at short term. All other liabilities are classified as non-current liabilities.

4.8 Treasury Shares

Treasury stock is recorded in equity as less shareholders' equity when acquired, and no gain or loss is recorded in the income statement for its sale or cancellation. Income and expenses arising from transactions with treasury stock are recorded directly in equity as less reserves.

4.9 Cash and other equivalent liquid assets

This heading includes cash on hand, bank checking accounts and deposits and temporary acquisitions of assets that meet all of the following requirements:

- They are convertible into cash.
- At the time of its acquisition, its maturity was not more than three months.
- They are not subject to a significant risk of change in value.
- They are part of the Company's normal treasury management policy.

For the purposes of the statement of cash flows, occasional overdrafts that form part of the Company's cash management are included as less cash and other equivalent liquid assets.

5. Financial assets

5.1 Non-current investments in Group companies

The detail of "Non-Current Investments in Group companies and associates" at 30 September 2023 and 2022 is as follows:

2023

	Thousands of euros			
	30.09.2022	Additions	Disposals	30.09.2023
Cost:				
Equity investments	2,534,593	200,875	(2,251)	2,733,217
Total cost:	**2,534,593**	**200,875**	**(2,251)**	**2,733,217**
Impairment / Reversals	(16,519)	(12)	-	(16,531)
Total non-current investments	**2,518,074**	**200,863**	**(2,251)**	**2,716,686**

2022

	Thousands of euros			
	30.09.2021	Additions	Disposals	30.09.2022
Cost:				
Equity investments	2,534,603	2,628	(2,637)	2,534,593
Total cost:	**2,534,603**	**2,628**	**(2,637)**	**2,534,593**
Impairment / Reversals	(16,742)	(47)	270	(16,519)
Total non-current investments	**2,517,861**	**2,581**	**(2,367)**	**2,518,074**

Details of cost additions to "Long-term investments in Group companies" as of September 30, 2023 and 2022 are as follows:

2023

	Thousands of euros
	Additions
Compañía de Distribución Integral Logista S.A.U	2,866
Logista Transport Europe B.V.	20,274
Carbó Collbatalle, S.A.U.	54,990
Herinvemol, S.L.	122,745
Total	**200,875**

2022

	Thousands of euros
	Additions
Compañía de Distribución Integral Logista S.A.U	2,628
Total	**2,628**

During 2023, the Company has recognized as the highest value of its investment in Compañía de Distribución Integral Logista, S.A.U. the amount accrued by the long-term incentive plans for an amount of 2,866 thousand euros (2,628 thousand euros in 2022) and as a lower value the liquidation of the second Consolidation Period of the 2017 Incentive Plan plus the shares of the other two Incentive Plans in force, for an amount of 2,251 thousand euros (in 2022 the highest value of the investment was 262 thousand euros) (see Note 4.4).

On February 7, 2022, the new company Logista Transport Europe, B.V. was incorporated with a share capital of 3 thousand euros. The Company has its registered office at Laarderhoogtweg 25, 1101EB Amsterdam. With effect from September 30, 2023, Logista Holdings has made a contribution to this subsidiary in the amount of 20,271 thousand euros corresponding to the balance of the current account it maintained with said investee company. In turn, the Company owns 70% of the shares of Speedlink Worldwide Express B.V., 24 Hours B.V. and German-Ex B.V.

On October 28, 2022, the Company materialized the acquisition of a 60% stake in Herinvemol. S.L. (Transportes El Mosca) for 98,980 thousand euros, which in turn owns all the shares of the following companies: Transportes el Mosca, S.A., Mosca Marítimo, S.L., Ordimur, S.L., Transportes el Mosca Murcia, S.L., Innoreste, S.L., Mosca Marítimo Baleares, S.L., Mosca Portugal, S.Lda, Mosca Marítimo Baleares, S.L., Mosca Portugal, Lda., Mosca China, Logistics Ltd., Mosca Italia S.r.L. and Albacetrans, S.L. On August 3, 2023, the Company announced the acquisition of an additional 13.33% with a payment of 23,765 thousand euros, increasing its shareholding to 73.33%. At closing of fiscal year 2023, 750 thousand euros were pending disbursement for this item, which are included under the heading "Short-term debt".
Also, in October 2022, the Company acquired all the shares of the Spanish company Carbó Collbatallé S.L. for Euros 54,990 thousand, which in turn owns all the shares of Transportes J. Carbó Guijuelo, S.L. In September 2023, the Company approved the payment in the amount of 4,290 thousand euros, as a consequence of obligations under the purchase and sale agreement, which was pending disbursement at the end of the year.

As of September 30, 2023, the Company's directors have concluded that there is an impairment of 12 thousand euros in the Logista Payments, S.L.U. company.

On February 22, 2022, the Company's Board of Directors approved and signed a private agreement for the prior agreement and sale and purchase of shares of Compañía de Distribuidora del Noroeste, S.L. to Compañía de Distribución Integral de Publicaciones Logista, S.L.U., as part of the reorganization of the Logista Group's current corporate structure.

As of September 30, 2022, as a result of this transaction, the Company recorded the sale of 25,000 shares of Compañía de Distribuidora del Noroeste, S.L. ("Acquired Company") to Compañía de Distribución Integral de Publicaciones Logista, S.L.U. ("Acquiring Company") for an amount of 271 thousand euros.

At September 30, 2022, the Company's directors concluded that Logista Payments, S.L.U. was impaired in the amount of 47 thousand euros. Additionally, a reversal of the impairment recorded in Compañía de Distribución Integral Logista Polska, S.p.Z.o.o. in the amount of 270 thousand euros was recorded.

The most significant information relating to the Group company as of 30 September 2023 and 2022, in individual data, is as follows:

2023

	Address	Direct % Ownership		Thousands of Euros							
				Data of the Companies					Carrying Value		
		Direct	Indirect	Share Capital	Operating Profit	Profit	Reserves and Other	Total Equity	Cost	Reversal / (Impairment) in the Year	Accumulated Impairment
Compañía de Distribución Integral Logista S.A.U (*)	Madrid	100	-	26,550	97,529	68,349	117,267	212,166	940,439	-	-
Logista Retail S.A.U. (*) (***)	Madrid	100	-	902	3,765	1,632	(924)	1,610	1,202	-	-
Dronas 2002, S.L.U. (*)	Barcelona	100	-	12,562	25,302	19,206	(4,714)	27,054	21,293	-	-
Logista Freight, S.A.U. (*) (****)	Madrid	100	-	1,000	2,684	4,736	(4,276)	1,460	4,510	-	-
La Mancha 2000, S.A.U. (*)	Guadalajara	100	-	1,352	295	255	113	1,720	1,352	-	-
Compañía de Distribución Integral de Publicaciones Logista, S.L.U. (*)	Madrid	100	-	1,100	(9)	(22)	1,677	2,755	1,929	-	(1,929)
Logista Libros, S.L. (*)	Guadalajara	50	-	500	6,382	5,189	10,668	16,357	1,490	-	-
Logista Payments, S.L.U.	Madrid	100	-	200	(16)	(12)	(83)	105	200	(12)	(95)
CDIL-Compania de Distribuiçao Integral Logista Portugal, S.A.(*)	Portugal	100		50	5,963	13,489	28,100	41,639	50	-	-
Logista Pharma, S.A.U.(*)	Barcelona	100	-	4,368	12,780	9,337	(3,222)	10,483	14,994	-	-
Logista Pharma Canarias, S.A.U. (*)	Barcelona	100	-	120	1,607	1,247	(344)	1,023	1,657	-	-
Logista France Holding, S.A.S. (*)	Tremblay (Francia)	100	-	11,108	(5)	(371)	(7,634)	3,103	10,989	-	(7,675)
Logista France, S.A.S. (*)	Vincennes (Francia)	100	-	107,250	57,240	73,618	(35,944)	144,924	920,161	-	-
Logista Italia, S.p.A. (*)	Roma (Italia)	100	-	15,164	103,219	107,776	19,687	142,627	605,627	-	-
Logista Transporte Europe B.V.	Amsterdam	100	-	3	(3)	(3)	20,271	20,271	20,274	-	-
Carbó Collbatalle, S.L.U.	Barcelona	100	-	2,030	6,058	4,624	1,387	8,041	54,990	-	-
Herinvemol, S.L.	Molina de Segura (Murcia)	73,3	-	11,686	(86)	(180)	34,631	46,137	122,745	-	-
Logista Freight Polska, S.p.Z.o.o. (*) (*****)	Varsovia (Polonia)	49	51(**)	216	839	668	23	907	128	-	-
Compañía de Distribución Integral Logista Polska, S.p.Z.o.o. (*)	Varsovia (Polonia)	100	-	259	1,547	1,118	1,194	2,571	9,187	-	(6,832)
									2,733,217	(12)	(16,531)

(*) Audited figures.
(**) Company owned through Logista Freight, S.A.U.
(***) Previously named Logista-Dis, S.A.U.
(****) Previously named Logesta Gestión de Transporte, S.A.U.
(****) Previously named Logesta Polska, S.p.Z.o.o.

2022

Company	Address	Direct % Ownership		Thousands of Euros							
				Data of the Companies					Carrying Value		
		Direct	Indirect	Share Capital	Profit for the Year		Reserves and Other	Total Equity	Cost	Reversal / (Impairment) in the Year	Accumulated Impairment
					Operating Profit	Profit					
Compañía de Distribución Integral Logista S.A.U (*)	Madrid	100	-	26,550	71,801	64,045	120,088	210,684	939,824	-	-
Logista-Dis, S.A.U. (*)	Madrid	100	-	902	6,317	4,323	178	5,402	1,202	-	-
Dronas 2002, S.L.U. (*)	Barcelona	100	-	12,562	23,365	18,926	(5,326)	26,162	21,293	-	-
Logesta Gestión de Transporte, S.A.U. (*)	Madrid	100	-	1,000	1,836	3,352	(128)	4,224	4,510	-	-
La Mancha 2000, S.A.U. (*)	Guadalajara	100	-	1,352	222	176	338	1,866	1,352	-	-
Company de Distribución Integral de Publicaciones Logista,S.L.U. (*)	Madrid	100	-	1,100	188	348	1,329	2,777	1,929	-	(1,929)
Logista Libros, S.L. (*)	Guadalajara	50	-	500	7,578	5,594	5,073	11,168	1,490	-	-
Logista Payments, S.L.U.	Madrid	100	-	200	(62)	(47)	(36)	117	200	(47)	(83)
CDIL-Compañía de Distribuiçao Integral Logista, S.A. (*)	Portugal	100		50	5,256	11,252	28,100	39,401	50	-	-
Logista Pharma, S.A.U.(*)	Barcelona	100	-	4,368	12,747	9,580	(3,092)	10,856	14,994	-	-
Logista Pharma Canarias, S.A.U. (*)	Barcelona	100	-	120	1,185	899	(45)	975	1,657	-	-
Logista France Holding, S.A.S. (*)	Tremblay (France)	100	-	11,108	-	-	(131)	10,977	10,989	-	(7,675)
Logista France, S.A.S. (*)	Vincennes (France)	100	-	107,250	52,075	31,236	3,633	142,118	920,161	-	-
Logista Italia, S.p.A. (*)	Rome (Italy)	100	-	15,164	96,913	77,451	19,686	112,301	605,627	-	-
Logesta Polska, S.p.Z.o.o. (*)	Warsaw (Poland)	49	51(**)	206	698	527	49	762	128	-	-
Logista Polska, S.p.Z.o.o (*)	Warsaw (Poland)	100	-	248	1,241	1,030	1,147	2,383	9,187	270	(6,832)
									2,534,593	223	(16,519)

(*) Audited figures.
(**) Investee company through Logesta Gestión de Transporte, S.A.

During the years 2023 and 2022, the Company received from its investees 272.774 thousand euros and 192,581 thousand euros in dividends (see Note 8.1 y 9.2).

5.2 Financial risk exposure

The management of the financial risks to which the Company is exposed in the course of its business activities constitutes one of the basic pillars of its activities aimed at preserving the value of its assets and its shareholder's investment.

The Company's activities are exposed to various financial risks: market risk (including exchange rate risk), credit risk, liquidity risk and cash flow interest rate risk.

The Company's financial risk management is centralised in Logista Group's Finance Division. This Division has established the mechanisms required to control based on the structure and financial position of the Company and on the economic variables of the business- exposure to interest rate and exchange rate fluctuations and credit and liquidity risk.

a. Credit risk:

   The Company's main financial assets are cash and loans to Group companies. In general, the Group holds its cash and cash equivalents at banks with high credit ratings.

b. Liquidity risk:

   The Company, for the purpose of ensuring liquidity and enabling it to meet all the payment obligations arising from its business activities, has the cash and cash equivalents disclosed in its balance sheet, together with the credit and financing facilities obtained through the cash assignment agreement entered into with Imperial Brands PLC Group (see Note 9).

c. Market risk (including interest rate, foreign currency and other price risks):

   In relation to its cash and cash equivalents the Company is exposed to interest rate fluctuations that could have an effect on its results and cash flows, although due to the Company's financial structure, management considers that this impact would not be material in any event.

The level of exposure of the equity and income statement to the effects of future changes in prevailing exchange rates is not significant.

The Company does not have any direct or indirect significant investments in foreign entities that operate in currencies other than the euro and does not perform significant transactions in countries with currencies other than the euro.

6. Equity

6.1 Share capital

At 30 September 2023 and 2022, the Company's share capital amounted to 26,550 thousand of euros and was represented by 132,750,000 fully subscribed and paid shares of EUR 0.2 per value each, all of which are of the same class.

As indicated in Note 1, the Parent was incorporated on 13 May 2014 with a share capital of 60 thousand of euros, divided into 300,000 shares of EUR 0.2 par value each, all of the same class, which were fully subscribed and paid in cash by the Parent's sole shareholder, Altadis, S.A.U.

On 4 June 2014, Altadis, S.A.U. approved a capital increase of 26,490 thousand of euros at the Parent, which was subscribed by means of a non-monetary contribution through the issue of 132,450,000 new shares of EUR 0.2 par value each, with a total share premium of 942,148 thousand of euros. The shares issued were of the same class as the outstanding shares, and they were fully subscribed and paid by Altadis, S.A.U. by means of the contribution to the Parent of the 44,250,000 registered shares representing the entire share capital of Compañía de Distribución Integral Logista, S.A.U. (which was, until that time, the Parent of the Logista Group). In this connection, it should be noted that the aforementioned non-monetary contribution was subject to the requisite appraisal by an independent expert appointed by the Mercantile Registry, in accordance with the Consolidated Spanish Limited Liability Companies Law and the Mercantile Registry Regulations.

The offering of shares in the Company came to an end on 14 July 2014, and its shares are currently listed for trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges.

On 20 July 2021 Altadis, S.A.U. agreed to sell its stake in Compañía de Distribución Integral Logista Holdings, S.A., representing 50.01% of the share capital, to Imperial Tobacco LTD, a company also belonging to the Imperial Brands PLC Group.

The only shareholder with a percentage interest equal to or greater than 10% of the Company's capital stock as of September 30, 2023 and 2022 is Imperial Tobacco Limited with a percentage of 50.01%. (See Note 1).

At 30 September 2023 y 2022 all the Company's shares have equal voting and dividend rights.

The market capitalization of the Company as of September 30, 2023 and 2022 amounts to 3,216.6 million euros and 2,475.6 million euros, respectively.

6.2 Share premium

The Spanish Capital Companies Law expressly permits the use of the share premium account balance to increase the capital of the entities at which it is recognised and does not establish any specific restrictions as to its use.

There has been no movement in this caption at 30 September 2023 and 2022.

6.3 Legal reserve

Under the Spanish Capital Companies Law, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, unless other reserves are not available for this purpose.

At 30 September 2023, the legal reserve has reached the legally stipulated minimum.

6.4 Interim dividends

On 20 July 2023, the Company's Board of Directors approved the distribution of an interim dividend out of 2023 profit amounting to 64,619 thousand euros for which disbursement has already been made on 24 August 2023 (56,714 thousand of euros in 2022) (See Note 3).

6.5 Other reserves

These reserves are freely available. The Company recognized changes occurred in 2023 related to 2022 not distributed profit to the shareholders amounting 6,858 thousand euros.

6.6 Treasury shares

The Company holds 883,955 treasury shares amounting to 21,265 thousand of euros, of which 751,989 shares are earmarked to cover the long-term incentive plan payable in treasury shares for a total amount of 18,091 thousand of euros (877,939 treasury shares for an amount of 16,600 thousand euros at September 30, 2022, of which 734,561 shares were earmarked for coverage of the long-term incentive plan payable in treasury shares for a total amount of 13,437 thousand euros).).

On 20 January 2021, the Company entered into a liquidity contract with the bank Banco Santander, S.A., the purpose of which is to promote the liquidity and regularity of the Company's share price. This contract is in accordance with the liquidity contract model included in Circular 1/2017 of 26 April of the National Securities Market Commission (CNMV) on liquidity contracts. The total number of shares allocated to the securities account associated with the Liquidity Agreement is 120,000 shares and the term of the agreement is 12 months from that date, renewable for successive years.

6.7 Other shareholder contribution

This heading includes the annual allocation for 2023 and 2022 to the Share Plan blocks, amounting to 2,867 thousand euros and 2,628 thousand euros, respectively (see Notes 4.4 and 5.1). In addition, in the current year there is an application of 2,251 thousand euros for the settlement of the different blocks corresponding to the Incentive Plans in force of the company (see Notes 4.4 and 5.1).

6.8 Earnings per share

Basic earnings per share are determined by dividing the Company's net profit (after tax) by the weighted average number of shares outstanding during the year, excluding the average number of treasury shares held.

The calculation of earnings per share is as follows:

	Thousands of Euros	
	2023	2022
Net profit for the year (thousand of euros)	266,900	188,828
Weighted average number of issued shares (thousand of shares) (*)	131,841	131,855
Beneficio por acción (euros)	**2.02**	**1.43**

(*) As at 30 September 2023, the Parent Company of the Group holds 883,955 treasury shares.

At 30 September 2023, taking into account treasury shares that are subject to the long-term incentive plans, the calculation of diluted earnings per share would result in an amount of EUR 2.02 per share (30 September 2022: EUR 1.43 per share).

7. Tax matters

As indicated in Note 4.3, as of September 18, 2017, the Company is the head and responsible for the tax consolidation group and, therefore, the amount of the debtor resulting from the settlement of Corporation Tax of the consolidation group for the year 2023 is presented under the heading "Other credits with Public Administrations" of the balance sheet as of September 30, 2023 for an amount of 24,743 thousand euros in the year 2023 (1,700 thousand euros in the year 2022).

7.1 Current tax receivables and payables

The detail of the current tax receivables at 30 September 2023 and 2022 is as follows:

	Thousands of Euros	
	2023	2022
Non-resident income tax withholdings	3,021	2,587
Personal Income Tax withholdings	2,184	1,967
	5,205	**4,555**

7.2 Reconciliation of the accounting profit to the taxable profit

The reconciliation of the accounting profit to the taxable profit for income tax purposes is as follows:

	Thousands of Euros	
	2023	2022
Accounting profit before taxes	269,476	190,704
Permanent differences:		
Dividends (Note 8.1)	(259,135)	(182,952)
Non-deductible Expenses	120	60
(Endowment) / Reversal of portfolio of group companies	12	(223)
Adjusted taxable profit (fiscal result)	**10,473**	**7,589**
Temporary differences:		
Amortisation of goodwill	(26,946)	(26,946)
Adjusted tax base (tax result)	**(16,473)**	**(19,357)**

In 2023 and 2022 the Company applied the treatment provided for in Article 21.1 of the Spanish Income Tax Law in relation to the dividends received from its subsidiary and, therefore, considered them to be exempt (95%) from inclusion in the income tax calculation. In addition, the Company recognizes as a permanent difference the recognition and reversal of impairment in its investees (see Note 5.1).

Temporary differences in 2023 and 2022 correspond to the amortization of the goodwill of the investee company Logista Italia, S.p.A. (See Note 7.5).

7.3 Reconciliation of accounting profit to the income tax expense

The reconciliation of the accounting profit to the income tax expense is as follows:

	Thousands of Euros	
	2023	2022
Accounting profit for the year before tax	**269,476**	**190,704**
Permanent differences	**(259,003)**	**(183,175)**
Non-deductible Expenses	*120*	60
Portfolio provision	*12*	-
Dividendss	*(259,135)*	-
Temporary differences:	**(26,946)**	**(26,746)**
Amortisation of goodwill	*(26,946)*	*(26,746)*
Adjusted taxable loss	**(16,473)**	**(19,357)**
Tax charge (25% of taxable loss)	(4,118)	(4,839)
Deductions	(43)	(21)
Corporate tax adjustment (Note 7.5)	6,737	6,737
Income tax profit	**2,576**	**1,876**

7.4 Breakdown of income tax profit

The reconciliation of the accounting profit to the income tax expense is as follows:

	Thousands of Euros	
	2023	2022
Current tax	(4,161)	(4,861)
Deferred tax (Note 7.5)	6,737	6,737
Cost of Income tax	**2,576**	**1,876**

7.5 Changes in deferred tax liabilities

Movements in deferred taxes at September 2023 are as follows:

2023

	Thousands of Euros			
	2022	Additions	Disposals	2023
Deferred tax liabilities	93,258	6,737	-	100,265
	93,258	**6,737**	**-**	**100,265**

2022

	Thousands of Euros			
	2021	Additions	Disposals	2022
Deferred tax liabilities	86,791	6,737	-	93,258
	86,791	**6,737**	**-**	**93,258**

7.6 Tax credit carryforwards

As of September 30, 2023, the Company does not have any deductions pending application or tax loss carry forwards.

7.7 Years open for review and tax audits

Under current legislation, taxes cannot be considered definitively settled until the returns filed have been inspected by the tax authorities or the four-year statute of limitations period has elapsed. The Company has the last four years open for inspection for all applicable taxes.

The Company's directors consider that the settlements of the aforementioned taxes have been properly made and, therefore, even if discrepancies arise in the interpretation of the tax regulations applicable to the transactions during the year open to inspection, any resulting liabilities, should they materialize, would not have a material effect on these financial statements.

8. Income and expenses

8.1 Income from investments in equity instruments

In 2023 and 2022, the Company received 272,774 thousand euros and 192,581 thousand euros in dividends from its investees. (see Note 5.1)

	Thousands of Euros	
	2023	2022
Compañía de Distribución Integral Logista S.A.U.	69,251	66,098
Logista Retail, S.A.U. (*)	5,424	837
Dronas 2002, S.L.U.	18,303	19,757
Logista Freight, S.A.U. (**)	7,500	-
La Mancha 2000, S.A.U.	402	10
Logista Libros, S.L.	-	2,085
CDIL-Compañía de Distribuicao Integral Logista Portugal, S.A.	11,252	10,072
Logista Pharma, S.A.U.	9,639	14,890
Logista Pharma Canarias, S.A.U.	1,199	1,663
Logista France, S.A.S.	70,813	14,850
Logista Italia, S.p.A.	77,450	61,642
Logista Freight Polska, S.p.Z.o.o. (***)	270	59
Compañía de Distribución Integral Logista Polska, S.p.Z.o.o.	1,271	618
TOTAL	**272,774**	**192,581**

(*) Formerly called Logista-Dis, S.A.U.
(**) Formerly named Logesta Gestión de Transporte, S.A.U.
(***) Formerly named Logesta Polska, S.p.Z.o.o.

8.2 Staff costs

The balance of "Staff Costs" in the income statement for 2023 and 2022, amounting to 1,044 thousand Euros and 1,070 thousand euros, respectively, includes the expenses incurred directly by the Company in respect of remuneration of the Board of Directors. At 30 September 2023 and 2022, the Company did not have any employees.

Remuneration of Senior Executives

The senior executive functions are performed by the members of the Management Committee, composed of 9 members as of September 30, 2023 (9 members in 2022) and by the Corporate Audit Director.

The amount of remuneration accrued during 2023 and 2022 by members of senior management amounts to 6,499 thousand euros and 6,304 thousand euros, respectively, excluding executive directors. The above amounts include the amounts recognized in favor of the members of the Management Committee in 2023 and 2022 corresponding to the incentive plan described in Note 4.4.

The indemnities paid in 2023 and 2022 amounted to 293 thousand euros and 2,150 thousand euros, respectively.

The contributions accrued for savings systems in favor of the members of the aforementioned Management Committee in 2023 and 2022 amounted to 377 thousand euros and 329 thousand euros, respectively.

8.3 Audit fees

In 2023 and 2022 the fees for individual and consolidated financial audit services provided by the auditor of the Company's financial statements, or by companies related to the auditor as a result of a relationship of control, common ownership or common management, were as follows:

	Thousands of Euros	
	2023	2022
	EY	EY
Total audit and related services		
Audit services	75	24
Other attesting services	87	25
Total audit and related professional services	**162**	**49**
Other services	-	-
Total professional services	**162**	**49**

From 30 September 2023 until the date of preparation of the individual financial statements for the financial year 2023, there have been no fees invoiced for non-audit services provided by the company's auditor, Ernst & Young, S.L. (in the financial year 2022 there were no fees invoiced by the company's auditor, Ernst & Young, S.L.).

9. Balances and transactions with related parties

9.1 Balances with related parties

Balances at 30 September 2023 and 2022 with Group, associated and related companies are as follows:

2023

	Thousands of Euros			
	Current Financial Receivable	Accounts Receivable Fiscal Consolidated	Current Financial Payables	Accounts Payables Fiscal Consolidated
Parent Company:				
Imperial Tobacco Limited	-	-	-	-
Companies with control over the Company:				
Imperial Brands PLC	2,289,587	-	-	24
Investees of the Company:				
Compañía de Distribución Integral Logista S.A.U.	288,010	21,413	1,004,216	-
Logista France, S.A.S.	-	-	1,471,968	-
Logista Italia, S.p.A.	-	-	1,262,069	-
Dronas 2002, S.L.U.	-	6,405	-	-
Logista Retail, S.A.U. (*)	-	444	-	-
Logista Freight, S.A.U. (**)	-	561	-	-
Logista Pharma, S.A.U.	-	3,088	-	-
Logista Pharma Canarias, S.A.U	-	417	-	-
La Mancha 2000, S.A.U.	-	85	-	-
Compañía de Distribución Integral de Publicaciones Logista, S.L.U.	-	-	-	68
CDIL-Compañia de Distribuiçao Integral Logista Portugal, S.A.	-	-	12,861	-
Logista Transport Europe B.V	2	-	-	-
Logista Strator, S.L.U.	-	558	-	-
Be to Be Pharma, S.L.U.	-	30	-	-
Logista Payments S.L.U.	-	-	-	5
Publicaciones y Libros, S.A.U.	-	-	-	236
Distribución de Publicaciones Siglo XXI Guadalajara, S.L.	-	-	-	12
Logista Regional de Publicaciones, S.A.U.	-	-	-	57
	2,577,599	**33,001**	**3,751,114**	**402**

(*) Previously named Logista-Dis, S.A.U.
(**) Previously named Logesta Gestión de Transporte, S.A.U.

2022

	Thousands of Euros			
	Current Financial Receivable	Accounts Receivable Fiscal Consolidated	Current Financial Payables	Accounts Payables Fiscal Consolidated
Parent Company:				
Imperial Tobacco Limited	-	-	-	-
Companies with control over the Company:				
Imperial Brands PLC	2,429,584	-	-	-
Investees of the Company:				
Compañía de Distribución Integral Logista S.A.U.	334,533	20,118	1,001,396	23
Logista France, S.A.S.	-	-	1,567,517	-
Logista Italia, S.p.A.	-	-	1,271,774	-
Dronas 2002, S.L.U.	-	6,233	-	-
Logista-Dis, S.A.U.	-	1,497	-	-
Logesta Gestión de Transporte, S.A.U.	-	264	-	-
Logista Pharma, S.A.U.	8,418	3,173	-	-
Logista Pharma Canarias, S.A.U.	-	300	-	-
La Mancha 2000, S.A.U.	-	59	-	-
Compañía de Distribución Integral de Publicaciones Logista, S.L.U.	-	101	-	-
CDIL-Companhia de Distribuiçao Integral Logista Portugal, S.A.	-	-	38,258	
Logista Transport Europe B.V	15,174	-	-	-
Logista Strator, S.L.U.	-	191	-	-
Be to Be Pharma, S.L.U.	-	26	-	-
Logista Payments S.L.U.	-	-		16
Publicaciones y Libros,S.A.U.	-	-		110
. Distrtibuidora de Publicaciones Siglo XXI Guadalajara, S.L.	-	-		2
	2,787,709	31,961	3,878,946	151

Balances and transactions with Imperial Brands

As of June 12, 2014, Imperial Tobacco Enterprise Finance Limited, Compañía de Distribución Integral Logista Holdings, S.A., Compañía de Distribución Integral Logista, S.A.U., Logista Italia, S.p.A. and Logista France, S.A.S., entered into a new mutual agreement for a five-year credit line with a maximum draw down limit of EUR 2,000 million.The purpose of this agreement is to regulate the conditions and terms under which the Logista Group companies will lend Imperial Tobacco Enterprise Finance Limited their cash surpluses on a day-to-day basis in order to optimise their cash flow, as well as the loans from Imperial Tobacco Enterprise Finance Limited to Compañía de Distribución Integral Logista, S.A.U., in order to meet the cash requirements arising from their operations.

Imperial Tobacco Enterprise Finance Limited changed its corporate name on February 29, 2016 to Imperial Brands Enterprise Finance Limited.

On September 1, 2020, an addendum was signed which stipulates that Imperial Brands PLC, as head of the group, guarantees Logista's compliance with all obligations under the agreement until maturity of the agreement.

The addendum establishes a maximum drawdown limit of 2,600 million euros at the European Central Bank interest rate plus a spread of 0.75%. Interest is calculated daily on a 360-day basis and capitalized quarterly.
On August 3, 2023, the reciprocal credit line agreement was renewed effective June 12, 2024.

The terms and conditions of the loan facility mentioned in the preceding paragraphs remain in effect until June 12, 2024. After that date,new conditions have been agreed for this loan, consisting of an increase in the maximum drawdown limit to 3,000 million euros, and a remuneration based on Euribor 6 months plus 75 basis points. These new conditions will remain in force for at least three years, after which date they will be considered renewed unless one of the parties expresses its will not to do so at least 6 months in advance.

Under this agreement, the Company has undertaken not to obtain financing from third parties and not to pay or provide any type of guarantee on its assets unless such transaction is approved by a qualified majority of the Board of Directors.

As of September 30, 2023, the amount of the receivable from Imperial Brands Finance PLC amounts to 2,289,587 thousand euros (2,429,584 thousand at September 30, 2022, with financial income generated in 2023 amounting to 82,885 thousand euros (10,855 thousand euros in 2022).

Balances and transactions with Compañía de Distribución Integral Logista, S.A.U.

On June 18, 2014 Compañía de Distribución Integral Logista, S.A.U. and the Company entered into a credit line and surplus loan contract whose amount and maturity were modified in successive addenda. During the 2022 financial year, both companies formalized a surplus loan contract for a maximum amount of 400 million euros and maturing on September 30, 2023. Based on said contract, the daily balance of the loan is remunerated at the interest rate of the European Central Bank plus a spread of 0.75%.

During the 2023 fiscal year, both companies formalized an addendum extending the surplus loan facility by an additional 100 million euros, leaving the new limit at 500 million euros and maturing on September 30, 2023.

During the 2023 financial year, the financial income from interest derived from this credit agreement amounted to 10,866 thousand euros of financial income in the 2023 financial year (2,850 thousand euros in 2022).

With effect from March 3, 2021, the Company entered into an agreement with Compañía de Distribución Integral Logista, S.A.U. in which it confers and entrusts Compañía de Distribución Integral Logista, S.A.U. with the provision of financial services for the subsidiaries of the group, understanding as such the financial services of cash management, loans, financial guarantees or any other financial service that the Company may require from Compañía de Distribución Integral Logista, S.A.U. During fiscal year 2023 the management of financial services has consisted of:

- Re-invoicing of the financial income accrued on the account receivable from Imperial Brands Finance PLC in the amount of 2,289,587 thousand euros, the accrual of interest on which has been managed through Compañía de Distribución Integral Logista, S.A.U. and,

- Accrual of cashpooling debit positions with Compañía de Distribución Integral Logista, S.A.U. that have taken place during 2023.

At 30 September 2023 the Company has a financial account payable amounting to 1,004,216 thousand euros (1,001,396 thousand euros in 2022).

Also, the Company is head of, and responsible for the obligations of, the consolidated income tax group. Consequently, the Company recognized an account payable to Compañía de Distribución Integral Logista, S.A.U. of 21,413 thousand euros under "Debts with Group Companies and Associates" (2022: 20,118 thousand euros).

Balances and transactions with Logista Italia, S.p.A.

At September 30, 2023, the amount of this financial debt amounted to 1,262,069 thousand euros (1,271,774 thousand euros at September 30, 2022), accruing a financial expense in the income statement of 39,782 thousand euros (9,218 thousand euros in 2022).

The aforementioned financial relations contract is remunerated at the interest rate of the European Central Bank plus a spread of 0.75%.

Balances and transactions with Logista France, S.A.S.

At September 30, 2023, the amount of this financial debt amounted to 1,471,968 thousand euros (1,567,517 thousand euros at September 30, 2022), accruing a financial expense in the income statement of 53,136 thousand euros (12,620 thousand euros in 2022).

The aforementioned financial relations contract is remunerated at the interest rate of the European Central Bank plus a spread of 0.75%.

Balances and transactions with CDIL-Compañia de Distribuiçao Integral Logista Portugal, S.A.

At September 30, 2023, the amount of this financial debt amounted to 12,859 thousand euros (38,258 thousand euros at September 30, 2022), accruing a financial expense in the income statement of 2,130 thousand euros (531 thousand euros in 2022).

The aforementioned financial relations contract is remunerated at the interest rate of the European Central Bank plus a spread of 0.75%.

9.2 Related party transactions

Details of the Company's transactions during the year with Group companies, associates, its majority shareholder and related parties are as follows:

2023

	Thousands of Euros		
	Dividends (Note 8.1)	Financial Income	Financial Expenses
Parent Company:			
Imperial Tobacco Limited	-	-	-
Companies with control over the Company:			
Imperial Brands PLC	-	82,885	-
Investees of the Company			
Compañía de Distribución Integral Logista S.A.U.	69,251	10,866	-
Logista Retail, S.A.U. (*)	5,424	-	-
Dronas 2002, S.L.U.	18,303	-	-
Logista Freight S.A.U. (**)	7,500	-	-
La Mancha 2000, S.A.U.	402	-	-
Logista Libros, S.L.	-	-	-
CDIL-Company de Distribuiçao Integral Logista Portugal, S.A.	11,252	-	2,130
Logista Pharma, S.A.U.	9,639	-	-
Logista Pharma Canarias, S.A.U.	1,199	-	-
Logista France, S.A.S.	70,813	-	53,136
Logista Italia, S.p.A.	77,450	-	39,782
Logista Freight Polska, S.p.Z.o.o. (***)	270	-	-
Compañía de Distribución Integral Logista Polska, S.p.Z.o.o.	1,271	-	-
	272,774	**93,751**	**95,048**

(*) Previously named Logista-Dis, S.A.U.
(**) Previously named Logesta Gestión de Transporte, S.A.U.
(***) Previously named Logesta Polska, S.p.Z.o.o.

2022

	Thousands of Euros		
	Dividends (Note 8.1)	Financial Income	Financial Expenses
Parent Company:			
Imperial Tobacco Limited	-	-	-
Companies with control over the Company:			
Imperial Brands PLC		10,855	
Investees of the Company			
Compañía de Distribución Integral Logista S.A.U.	66,098	11,186	
Logista-Dis, S.A.U. (*)	837	-	-
Dronas 2002, S.L.U. (*)	19,757	-	-
Logesta Gestión de Transporte, S.A.U. (*)	-	-	-
La Mancha 2000, S.A.U. (*)	11	-	-
Company de Distribuiçao Integral Logista Portugal, S.A.	2,085	-	-
Logista Libros, S.L. (*)	10,072	-	531
Logista Pharma, S.A.U. (*)	14,890	-	-
Logista Pharma Canarias, S.A.U. (*)	1,663	-	-
Logista France, S.A.S. (*)	14,850	-	12,620
Logista Italia, S.p.A. (*)	61,642	-	9,218
Logesta Polska, Z.o.o. (*)	59	-	-
Logista Polska, Z.o.o.. (*)	618	-	-
	192,581	**22,041**	**22,369**

During the financial years 2023 and 2022 the Company has received dividends from its investees as described in Note 8.1.

Financial income and expenses mainly correspond to interest accrued on short-term loans granted to these companies (see Note 9.1).

9.3 Remuneration o Board Directors

In 2023 and 2022 the remuneration accrued by the members of the Board of Directors by reason of their membership of the Board of Directors or of any of its delegated committees for all items, included under the heading "Personnel Expenses" in the accompanying income statement, together with the remuneration accrued through Compañía de Distribución Integral Logista, S.A.U. by the members of the Board who are also executives, amounted to 7,208 thousand euros and 4,996 thousand euros, respectively.

Contributions to savings schemes for executive directors in 2023 and 2022 amounted to 445 thousand euros and 251 thousand euros, respectively.

The amount of the life insurance premium for executive directors amounted to 6 thousand euros in both 2022 and 2023 fiscal years.

The Company has long-term incentive plans for executive directors, the cost and characteristics of which are detailed in Note 4.4.

The Directors' civil liability bonus amounts to 138 thousand euros and 139 thousand euros in 2023 and 2022, respectively.

On the other hand, in 2023 and 2022 the Company has not entered into any transactions with the members of the Board of Directors outside the ordinary course of business or transactions under conditions other than normal market conditions.

The members of the Board of Directors are 7 men and 5 women.

9.4 Information on conflicts of interests on the part of Directors

As per art.229 of the Law on Corporations, no Director has informed any situation of direct nor indirect conflict of interests with the Company.

10. Guarantee commitments to third parties and other contingent liabilities

The Company does not have guarantee commitments to third parties nor other contingent liabilities identified at 30 September 2023 and 2022.

11. Disclosures on the payment periods to suppliers. Additional Provision Three "Disclosure obligation" provided for in Law 15/2010, of 5 July

Set forth below are the disclosures -the detail of payments made to suppliers- required by Additional Provision Three of Law 15/2010, of 5 July (amended by Final Provision Two of Law 31/2014, of 3 December), prepared in accordance with the Spanish Accounting and Audit Institute (ICAC) Resolution of 29 January 2016 on the disclosures to be included in notes to financial statements in relation to the average period of payment to suppliers in commercial transactions.

	Days	
	2023	2022
Average period of payment to suppliers	36	20
Ratio of transactions settled	36	20
Ratio of transactions not yet settled	9	23

	Thousands of Euros	
	2023	2022
Total payments realized	827	549
Total outstanding payments	5	-
Monetary volume of invoices paid in a period lower than the maximum established in the late payment regulations.	716	511
Percentage of payments below the maximum amount paid as a percentage of total payments made.	87%	93%

	Number of Invoices	
	2023	2022
Invoices paid in a period shorter than the maximum period established in the late payment regulations.	133	163
Total Invoices	142	173
Percentage of total invoices	94%	94%

In accordance with the ICAC Resolution, the average period of payment to suppliers was calculated by taking into account the commercial transactions relating to the supply of goods or services for which payment has accrued since the date of entry into force of Law 31/2014, of 3 December.
The figures shown in the foregoing table relate to suppliers of goods and services and, therefore, they include the figures relating to "Payable to Suppliers" and "Sundry Accounts Payable" under current liabilities in the balance sheet.

The maximum payment period applicable to the Company in 2021 under Law 11/2013, of 26 July, on combating late payment in commercial transactions, was 30 days unless the parties have entered into an agreement for a maximum period of 60 days.

12. Environmental aspects and risks related to climate change

The risk management system of the group, of which the Company is the parent company includes climate change among its environmental risk, and no relevant environmental risks have been identified as of the date of this report, excluding the climatic risks detailed in the tables below:

Type of physical risk	Climate hazard category	Description of the potential impact of the physical climate risk hazard
Acute	Heavy rainfall (rain, hail, snow or ice)	Damage to assets (warehouses or vehicles in use)

Type of transition risk	Description of the transition risk	Description of the potential impact of the physical climate risk hazard
Current and emerging regulations	Increase in costs of GHG emissions	Increase in carbon pricing in the supply chain which is passed on to the end consumer
Technological	Cost of transitioning to lower-emission technology	Higher cost of decarbonising our fleet of vehicles by replacing them with electric substitutes, intermodal transport options and vehicles that run on biodiesel.

As detailed above, the group is potentially exposed to the consequences derived from climate change. On the one hand, there are physical risks, such as extreme weather events, that could affect the infrastructure and transportation and, on the other, transition risks, given that global trends to reduce the causes and consequences of climate change can entail economic, regulatory and, technological and/or reputational.

The process of prioritizing climate-related risks follows the same phases as the group's risk management process, although considering the casuistry and particularities of the recommendations. After examining physical risks and climate-related transition risks, a total of 25 physical inherent risks and 15 transition inherent risks were identified with a possible impact for Logista, of which only those detailed in the table above were considered relevant. Once their evaluation has been completed, no residual physical or transition risk has turned out to be significant.

The initiatives carried out by the Company regarding climate change have not entailed an accounting impact in the year or a significant change in the estimates made by Management.

The current environmental regulations do not significantly affect the activities carried out by the Group, and for this reason there are no responsibilities, expenses, income, subsidies, assets, provisions, or contingencies of an environmental nature that could be significant in relation to the assets, the situation financial and its results. Consequently, no specific breakdowns are included in these annual accounts regarding information on environmental aspects.

13. Events after the reporting period

There have been no significant events after the end of the year that have had a significant impact on the financial statements.

14. Explanation added for translation to English

These financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Company (see Note 2.1). Certain accounting practices applied by the Company that conform to that regulatory framework may not conform with other generally accepted accounting principles and rules. In the event of discrepancy, the Spanish-language version prevail.

Compañía de Distribución Integral Logista Holdings, S.A.

Directors Report for financial year ended 30th September 2023

1. EVOLUTION AND POSITION OF THE COMPANY IN 2023

Due to its Holding Company condition, the Company has not operations and carries out its activity through its operating company, Compañía de Distribución Integral Logista, S.A.U. and rest of the Group's companies.

Logista is one of the largest logistics operators in Southern Europe, specialising in distribution to local retail network.

We regularly serve almost 200,000 points of sale in Spain, France, Italy and Portugal, facilitating manufacturers with the best and fastest access to a wide array of convenience products, pharmaceutical products, electronic top-ups, books, publications, tobacco and lottery markets among others. We also offer international and domestic high value-add logistics services. Our operations in the Netherlands and Poland complete our catalogue of services.

We offer our clients innovation, sustainable growth and long-term value, tailoring our services to meet their specific and growing needs in a constantly changing world.

The Logista's share price was 24.2 euros at closing of fiscal year 2023 (September 30, 2023). So, the Logista's market capitalization amounted 3,212.6 million euros at closing of fiscal year 2023.

During the fiscal year 2023, the Company's revenues from the distribution of dividends paid by Group's companies were 272,774 thousand euros (192,581 thousand euros in 2022).

The Company paid a FY2022 final dividend amounted 125 million euros on February 23, 2023, and paid a 2023 interim dividend for 65 million euros on August 28, 2023.

Besides the own shares acquired in accordance with the liquidity agreement signed with Banco Santander S.A. on January 20, 2021, the Company acquired 141,000 own shares during the fiscal year 2023, mainly to cover undertakings to award shares in the future, under the directors' long-term remuneration schemes of the Group of which the Company is the head. These shares were acquired in the following dates:

Date	Number of shares	Average price
06/10/2022	23,000	19.09
07/10/2022	23,000	18.97
10/10/2022	21,988	19.07
11/10/2022	23,000	19.03
12/10/2022	23,000	19.03
13/10/2022	23,000	19.12
14/10/2022	4,012	19.48

1.1 Research and Development activities

The Company did not make any investments in research and development activities in the fiscal year 2023.

1.2 Treasury shares

At 30 September 2023, the Company holds 883,955 own shares (877,939 own shares in 2022).

1.3 Outlook for the Company

As the Company is a holding company, the Company's outlook is linked to the performance of the companies that form the Group.

2. RISK EXPOSURE

The corporate Risk Management system applicable to the Company is set out in Logista's General Risk Management Policy, amended on September 22, 2021, as well as in its procedure, which aims to implement an integrated risk management system, in order to provide a tool to assist the Board of Directors and Logista's Management in optimizing results, with a view to improving its capabilities to create, preserve and ultimately achieve the attainment of value.

This Policy establishes the commitments for the control and management of external and internal risks, of any nature, that may affect Logista at any time in order to achieve its objectives, assigning responsibilities, defining the types of risks, defining the risk appetite, establishing measures for their management, as well as the periodic supervision of the system, so as to allow, in addition, the efficient allocation of resources, guarantee the reliability of financial and non-financial information, establishing the guidelines for transparency and good corporate governance and increasing the range of opportunities available.

This Policy defines the categories or types of risk, where within the risks of a financial nature, tax and credit risks derived from the Company's operations are included.

In addition, the tax strategy defined in Logista's Tax Policy, updated in July 2023, has among its main objectives:

- Minimize the tax risks associated with operations, as well as with the strategic decisions of each company, ensuring that taxation is appropriate and balanced with business operations, material and human resources, and business risks.

- Defining tax risks and determining the Internal Control Objectives and Activities, as well as establishing a tax compliance reporting and documentation maintenance system, integrated into Logista's General Internal Control Framework.

On the other hand, Logista's General Internal Control Policy, dated April 25, 2017, establishes the general framework of action for the control and management of external and internal risks, of any nature, which may affect at any time, in accordance with the Risk Map in force at any time, for the achievement of its objectives.

Given the Company's status as a public interest entity, as its securities are currently listed on the stock exchange and it is the holding company of the Logista Group, the Company's main risk is that arising from a possible breach of the regulatory framework to which it is subject, as well as changes in tax regulations. However, the Company has a low tolerance level with respect to this risk and has established policies, procedures and controls to identify, prevent and mitigate the impact, as well as to comply with the obligations imposed by the various applicable legislations.

The Company evaluates whether there is any indication of impairment in the value of any asset and, if such indication exists, makes the appropriate valuation adjustments, provided that there is objective evidence that the carrying amount of the investment is not recoverable.

On the other hand, from a financial perspective, the main financial risks faced by the Company can be summarized as follows:

The Company's main financial assets are cash and cash balances and loans to Group companies, which represent the Company's maximum exposure to credit risk. On the other hand, the Company is exposed to credit risk with Imperial Brands, by virtue of the cash transfer agreements entered into, as set forth in Note (9) to the accompanying financial statements.

Notwithstanding the foregoing, the Company estimates that as of September 30, 2023, the level of exposure to credit risk of its financial assets is not significant.

In order to ensure liquidity and to be able to meet all payment commitments arising from its normal activity, the Company maintains sufficient cash and cash equivalents. If necessary, the Company would have available credit lines.

As regards exposure to interest rate risk, given the Company's lack of financial indebtedness, Management considers that the impact that a potential increase in interest rates could have on the accompanying financial statements is not significant.

Likewise, the level of exposure of shareholders' equity and the income statement to the effects of future changes in the level of current exchange rates is not relevant.

Regarding to risks related to climate change, the risk management system of the group, of which the Company is the parent company includes climate change among its environmental risk, and no relevant environmental risks have been identified as of the date of this report, excluding the climatic risks detailed in the tables below:

Type of physical risk	Climate hazard category	Description of the potential impact of the physical climate risk hazard
Acute	Heavy rainfall (rain, hail, snow or ice)	Damage to assets (warehouses or vehicles in use)

Type of transition risk	Description of the transition risk	Description of the potential impact of the physical climate risk hazard
Current and emerging regulations	Increase in costs of GHG emissions	Increase in carbon pricing in the supply chain which is passed on to the end consumer
Technological	Cost of transitioning to lower-emission technology	Higher cost of decarbonising our fleet of vehicles by replacing them with electric substitutes, intermodal transport options and vehicles that run on biodiesel.

As detailed above, the group is potentially exposed to the consequences derived from climate change. On the one hand, there are physical risks, such as extreme weather events, that could affect the infrastructure and transportation and, on the other, transition risks, given that global trends to reduce the causes and consequences of climate change can entail economic, regulatory and, technological and/or reputational.

The process of prioritizing climate-related risks follows the same phases as the group's risk management process, although considering the casuistry and particularities of the recommendations. After examining physical risks and climate-related transition risks, a total of 25 physical inherent risks and 15 transition inherent risks were identified with a possible impact for Logista, of which only those detailed in the table above were considered relevant. Once their evaluation has been completed, no residual physical or transition risk has turned out to be significant.

The initiatives carried out by the Company regarding climate change have not entailed an accounting impact in the year or a significant change in the estimates made by Management.

The current environmental regulations do not significantly affect the activities carried out by the Group, and for this reason there are no responsibilities, expenses, income, subsidies, assets, provisions, or contingencies of an environmental nature that could be significant in relation to the assets, the situation financial and its results. Consequently, no specific breakdowns are included in these consolidated annual accounts regarding information on environmental aspects.

3. USE OF FINANCIAL INSTRUMENTS

The Company does not perform transactions with financial instruments that might affect the correct measurement of the assets or liabilities recognised in the balance sheet.

4. SIGNIFICANT EVENTS FOR THE COMPANY AFTER THE REPORTING PERIOD

No events significantly affecting the accompanying financial statements took place after the end of the fiscal year 2023.

5. ANNUAL REPORT ON CORPORATE GOVERNANCE

The following reports, (i) Annual Corporate Governance Report and (ii) Annual Board Remuneration Report, corresponding to fiscal year 2023, form part of this Management Report, are available in full version on the website of the National Securities Market Commission (www.cnmv.es) and on the Parent Company's website (www.logista.com), and are reported as Other Relevant Information (OIR) to the CNMV.

Certificate on the issuance of the financial statements

The financial statements and the Management Report for the year ended 30 September 2023 (1st October 2022 to 30th September 2023) have been prepared following the Single European Electronic Format (EUF) in accordance with the provisions of Delegated Regulation (EU) 2019/815 with identification number and formulated by the Board of Directors of Compañía de Distribución Integral Logista Holdings, S.A., at its meeting on November 7, 2023, with the favourable vote of all Directors, in order to be verified by auditors, and further approved by the General Shareholders Meeting.

The Corporate Governance Annual Report for the year ended 30 September 2023, which is part of Management Report, is included below as a separate section of the Management Report.

The XHTML file of the Financial Statements and the Management Report has been signed, in handwriting, by printing faithful copies attached to the electronic file with XHTML extension, included in the Annual Accounts, in witness whereof, by all the members of the Board of Directors who have attended the meeting in person, and who are:

Mr. Gregorio Marañón y Bertrán de Lis Chairman	Mr. Luis Isasi Fernández de Bobadilla Vice-Chairman
Mr. Íñigo Meirás Amusco CEO	Ms. Cristina Garmendia Mendizábal Director
Mr. Richard G. Hathaway Director	Ms. Julia Lefèvre Director
Mr. Murray H. McGowan Director	Ms. Pilar Platero Sanz Director
Ms. Jennifer S. Ramsey Director	Mr. David M. Tillekeratne Director (Signed by Mr. Murray McGowan by delegation)
	Ms. María Echenique Moscoso del Prado Secretary Director

Leganés (Madrid), November 7th, 2023

Compañía de Distribución Integral Logista Holdings, S.A.

Financial Statements for the year ended 30 September 2023 and Director's Report

Translation from the original issued in Spanish. In the event of discrepancy, the Spanish-language version prevails.

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.
BALANCE SHEET AT 30 SEPTEMBER 2023 AND 2022
(Thousands of Euros)

ASSETS	Notes	30-09-2023	30-09-2022	EQUITY AND LIABILITIES	Notes	30-09-2023	30-09-2022
NON-CURRENT ASSETS:		**2,716,686**	**2,518,074**	**EQUITY:**	**Note 6**	**1,490,491**	**1,413,446**
Non-current investments in Group companies and associates-	**Note 5.1**	**2,716,686**	**2,518,074**	***SHAREHOLDERS' EQUITY:***		**1,490,491**	**1,413,446**
Equity instruments		2,716,686	2,518,074	**Share capital**		**26,550**	**26,550**
				Share premium		**867,808**	**867,808**
				Reserves		**409,115**	**398,189**
				Legal reserves		5,310	5,310
				Other reserves		403,805	392,879
				Other contributions of the shareholders		**6,002**	**5,386**
				Interim dividend		**(64,619)**	**(56,714)**
				Treasury shares		**(21,265)**	**(16,600)**
				Profit for the period		**266,900**	**188,828**
				NON - CURRENT LIABILITIES:		**100,265**	**93,528**
				Deferred tax liabilities	**Note 7.5**	**100,265**	**93,528**
CURRENT ASSETS:		**2,637,052**	**2,873,649**	**CURRENT LIABILITIES:**		**3,762,982**	**3,884,749**
Current tax receivables	**Note 7**	**24,743**	**1,700**	**Short-term Debt**	**Note 5.1**	**5,040**	**-**
Current investments in Group companies and associates	**Note 9.1**	**2,610,600**	**2,819,671**	**Group companies and associates debt short-term**	**Note 9.1**	**3,751,514**	**3,879,097**
Prepayments for current assets		**46**	**36**	**Trade and other payables-**		**6,428**	**5,652**
Cash and cash equivalents-		**1,663**	**52,242**	Payable to suppliers		1,223	1,098
Cash		1,663	52,242	Other debts with public authorities	**Note 7.1**	5,205	4,555
TOTAL ASSETS		**5,353,738**	**5,391,723**	**TOTAL EQUITY AND LIABILITIES**		**5,353,738**	**5,391,723**

The accompanying Notes 1 to 14 are an integral part of the balance sheet at 30 September 2023.

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.
INCOME STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2023 AND 2022
(Thousands of Euros)

	Notes	2023	2022
Revenue:		**366,525**	**214,622**
Income from investments in equity instruments	**Note 5.1 & 8.1**	272,774	192,581
Finance income on investments to Group companies and associates	**Note 9.2**	93,751	22,041
Finance costs:	**Note 9.2**	**(95,048)**	**(22,369)**
On debts to Group companies and associates		(95,048)	(22,369)
Staff costs:	**Note 8.2**	**(1,044)**	**(1,070)**
Wages, salaries and similar expenses		(1,044)	(1,070)
Other Operating expenses		**(957)**	**(692)**
Impairment and gains/(losses) on disposal of financial instruments	**Note 5.1**	**(12)**	**223**
PROFIT FROM OPERATIONS		**269,464**	**190,714**
Finance income:		**12**	**4**
Other		12	4
Exchange Gain (loss)		**-**	**(14)**
FINANCIAL LOSS		**12**	**(10)**
PROFIT BEFORE TAX		**269,476**	**190,704**
Income tax	**Notes 7.3 & 7.4**	(2,576)	(1,876)
PROFIT FOR THE YEAR		**266,900**	**188,828**

The accompanying Notes 1 to 14 are an integral part of the income statement at 30 September 2023.

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2023 AND 2022
A) STATEMENT OF RECOGNISED INCOME AND EXPENSE
(Thousands of Euros)

	Notes	2023	2022
PROFIT PER INCOME STATEMENT	**Note 3**	**266,900**	**188,828**
TOTAL INCOME AND EXPENSE RECOGNIZED DIRECTLY IN EQUITY		**-**	**-**
TOTAL TRANSFERS TO PROFIT OR LOSS		**-**	**-**
TOTAL RECOGNIZED INCOME AND EXPENSE		**266,900**	**188,828**

The accompanying Notes 1 to 14 are an integral part of the statement of recognised income and expense for the financial year ending 30 September 2023.

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2023 AND 2022
B) STATEMENT OF CHANGES IN TOTAL EQUITY
(Thousands of Euros)

	Share Capital	**Share Premium**	**Reserves**	**Other Contributions from Shareholders**	**Interim Dividend**	**Treasury Shares**	**Profit / (Loss) for the Period**	**Total**
BALANCE AT 30-09-2021	**26,550**	**867,808**	**283,892**	**5,124**	**(54,116)**	**(14,346)**	**276,645**	**1,391,557**
Total recognised income and expense	-	-	-	-	-	-	188,828	188,828
Transactions with shareholders:								
Equity-instrument-based transactions (Notes 6.5 and 6.7)	-	-	506	262	-	1,663	-	2,431
Operations with treasury shares	-	-	718	-	-	(3,917)	-	(3,199)
Distribution of profit from financial year 2021	-	-	113,073	-	54,116	-	(276,645)	(109,456)
Interim dividends (Note 6.4)	-	-	-	-	(56,714)	-	-	(56,714)
BALANCE AT 30-09-2022	**26,550**	**867,808**	**398,189**	**5,386**	**(56,714)**	**(16,600)**	**188,828**	**1,413,446**
Total recognised income and expense	-	-	-	-	-	-	266,900	266,900
Transactions with shareholders:								
Equity-instrument-based transactions (Notes 6.5 and 6.7)	-	-	(735)	616	-	2,667	-	2,548
Operations with treasury shares	-	-	4,803	-	-	(7,332)	-	(2,529)
Distribution of profit from financial year 2022	-	-	6,858	-	56,714	-	(188,828)	(125,256)
Interim dividends (Note 6.4)	-	-		-	(64,619)	-	-	(64,619)
BALANCE AT 30-09-2023	**26,550**	**867,808**	**409,115**	**6,002**	**(64,619)**	**(21,265)**	**266,900**	**1,490,491**

The accompanying Notes 1 to 14 are an integral part of the statement of changes in equity for the financial year ending 30 September 2023.

COMPAÑÍA DE DISTRIBUCIÓN INTEGRAL LOGISTA HOLDINGS, S.A.
STATEMENT OF CASH FLOW FOR THE YEAR ENDED 30 SEPTEMBER 2023 AND 2022
(Thousands of Euros)

	Notes	2023	2022
CASH FLOWS FROM OPERATING ACTIVITIES:		**254,468**	**250,537**
Profit before tax		**269,476**	**190,704**
Adjustments for-		**1,297**	**114**
Finance costs	**Note 9.2**	95,048	22,369
Finance income	**Note 9.2**	(93,763)	(22,045)
Valuation adjustments for impairment	**Note 5.1**	12	(223)
Exchange gain or loss		-	14
Changes in working capital-		**36,711**	**32,929**
Trade and other payables		125	(23)
Other non-current liabilities		521	-
Other current liabilities		5,691	(290)
Other current assets		30,374	33,242
Other cash flows from operating activities-		**(53,016)**	**26,789**
Interest paid	**Note 9.2**	(95,048)	(22,369)
Interest received		93,763	22,031
Collection/Payments for income tax		(51,731)	27,126
CASH FLOWS FROM FINANCING ACTIVITIES:		**(305,047)**	**(200,231)**
Payments for investments		**(177,794)**	**271**
Group companies and associates	**Note 5**	(177,794)	271
Proceeds and payments relating to equity instruments-	**Note 6**	**(2,529)**	**(2,254)**
Acquisition of treasury shares		(2,529)	(2,254)
Proceeds and payments relating to financial liability instruments-	**Note 9.1**	**65,151**	**(32,077)**
Repayment of debts to group companies		**65,151**	(32,077)
Dividends payment and remuneration of other equity instruments-		**(189,875)**	**(166,170)**
Dividends payment		(189,875)	(166,170)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS		**(50,579)**	**50,306**
Cash and cash equivalents at beginning of year		52,242	1,936
Cash and cash equivalents at end of year		1,663	52,242

The accompanying Notes 1 to 14 are an integral part of the statement of cash flow for the financial year ending 30 September 2023.

Compañía de Distribución Integral Logista Holdings, S.A.

Notes to the annual Financial Statements for the
year ended 30 de September de 2023

1. Company activity

Compañía de Distribución Integral Logista Holdings, S.A., was incorporated as a sociedad anónima (Spanish public limited company) on 13 May 2014, with its sole shareholder being Altadis S.A.U., a company belonging to the Imperial Brands PLC Group. On 26 May 2014, the Company was registered in the Mercantile Registry as a sole-shareholder company.

The Company's registered office is at Polígono Industrial Polvoranca, calle Trigo, número 39, Leganés (Madrid).

On 4 of June 2014, the Company effected a capital increase with all shares subscribed by Altadis S.A.U. through non-monetary contribution of shares representing 100% of the share capital of Compañía de Distribución Integral Logista, S.A.U., until that time the parent company of the Logista Group, from then onwards, the Company became the Parent of the aforementioned Group.

The offering of shares in the Company came to an end on the 14 July 2014, and its shares are currently listed for trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges (see Note 6).

The reporting period of most of the Group companies starts on 1 October of each year and ends on 30 September of the following year. The twelve-month period ended 30 September 2023 will hereinafter be referred to as "2023"; the period ended 30 September 2022 as "2022", and so on.

The activity performed by the Company since its incorporation has been that of a holding company. The company is the Parent of a distributor and logistics operator Group, which provides various distribution channels with a wide range of value-added products and services, including tobacco and tobacco by-products, convenience goods, electronic documents and products (such as mobile phone and travel card top-ups), drugs, books, publications and lottery tickets. In order to provide these services, the Group has a complete infrastructure network, which spans the whole value chain, from picking to POS delivery.

On 22 March 2021, and effective for accounting purposes from 1 October 2020, the simplified merger by absorption between Compañía de Distribución Integral Logista Holdings, S.A. (the Absorbing Company) and Logista Investments, S.L.U. (the Absorbing Company) was registered with the Madrid Mercantile Registry. (Absorbing Company) and the company Logista Investments, S.L.U. (Absorbed Company).

The Company, as parent of a group of subsidiaries, prepares consolidated financial statements separately in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRSs). The consolidated financial statements of Logista Group for fiscal year 2023 were formally prepared by its directors at the Board of Directors meeting held on 7 November 2023.

On 20 July 2021 there was a change in the majority shareholder of the Company to Imperial Tobacco Limited, an entity belonging to the Imperial Brands PLC group, which is governed by the commercial legislation in force in the United Kingdom, with registered office at 121 Winterstoke Road, Bristol BS3 2LL (United Kingdom). The consolidated financial statements of the Imperial Brands PLC group for the fiscal year 2022 were authorized for issue by the directors at a meeting of the board of directors held on 15 November 2022.

2. Basis of presentation of the financial statements

2.1 Regulatory financial reporting framework applicable to the Company

These financial statements were formally prepared by the Directors in accordance with the regulatory financial reporting framework applicable to the Company, which consists of:

a. The Spanish Commercial Code and all other Spanish corporate law.

b. Law on Corporations consolidated text.

c. The Spanish National Chart of Accounts approved by Royal Decree 1514/2007, on the 16 November, and which since its publication has known several amendments, and the last of these amendments thereto introduced by Royal Decrees 1/2021, on the 12 of January, and its implementing regulations.

d. The mandatory rules approved by the Spanish Accounting and Audit Institute in order to implement the Spanish National Chart of Accounts and the relevant secondary legislation.

e. All other applicable Spanish accounting legislation.

These annual accounts, which have been prepared by the Company's Directors, will be approved by General Shareholders' Meeting, and it is expected that they will be approved without modification.

2.2 Fair presentation

The financial statements for 2023, which were obtained from the Company's accounting records, are presented in accordance with the regulatory financial reporting framework applicable to the Company and, in particular, with the accounting principles and rules contained therein and, accordingly, present fairly the Company's equity, financial position, results of operations and cash flows for the corresponding period.

The financial statements for 2022 were approved at the Annual General Meeting held on 7th of February 2023.

2.3 Accounting principles applied

The directors formally prepared these financial statements taking into account all the obligatory accounting principles and standards with a significant effect hereon.

2.4 Key issues in relation to the measurement and estimation of uncertainty

In preparing the accompanying financial statements estimates were made by the Company's Directors in order to measure certain of the assets, liabilities, income, expenses and obligations reported herein. These estimates relate basically to the following:

- The calculation of allowances for financial assets (see Note 4.1).

- The assessment of the long-term obligations to employees of the companies in the Group headed by the Company (see Note 4.4).

- The assessment of the income tax expense (see Note 4.3).

Climate change risks have been considered in the estimates made. The costs derived from the Sustainability strategy are incorporated into the Company's budgets and business plans, which generally cover a period of three years, which are used for the impairment analysis of the Company's financial assets (Note 4.1). However, given the nature of the Company's assets as well as the mitigation measures the Company is implementing as part of its sustainability strategy the risk derived from climate change is not considered to have a relevant impact on the estimates of the impairment test of financial assets.

Although these estimates were based on the best information available at the close of 2023, it is possible that future events may require these to be raised or lowered in the coming years. This would be done prospectively, recognizing the effects of the changes in accounting estimates in the relevant future financial statements.

2.5 Comparative information

The information relating to 2022 included in these notes to the financial statements is presented solely for comparison purposes with that relating to 2023.

2.6 Grouping of items

Certain items in the balance sheet, income statement, statement of changes in equity and statement of cash flows are grouped together to facilitate their understanding; however, whenever the amounts involved are material, the information is broken down in the related notes to the financial statements.

2.7 Materiality

In preparing these financial statements the Company omitted any information or disclosures which, not requiring disclosure due to their qualitative importance, were considered not to be material in accordance with the concept of Materiality defined in the conceptual framework applicable to the Company.

2.8 Going Concern

At 30 September 2023 the Company had negative working capital 1,126 millions of euros (1,011 million of euros at 30 September 2022). However, almost all of the current liabilities correspond to debts with Group companies. At the same time, the Company's Directors estimate that the cash flows generated by the Company and the financing lines available with the Imperial Brands PLC Group Companies and Compañía de Distribución Integral Logista, S.A.U. allow current liabilities to be met (see Note 9). Consequently, the Company's Directors have prepared the annual accounts in accordance with the going concern principle.

3. Distribution of profit

The proposed distribution of the profit for 2023, amounting to 266,900 thousand euros, that the Company's Directors will submit for approval by the shareholders at the Annual General Meeting is as follows:

	Thousands of Euros
To voluntary reserves	21,741
Dividends	180,540
Interim dividend (Note 6.4)	64,619
	266,900

In accordance with current regulations, the Company assessed, on July 20, 2023, the sufficiency of liquidity at the date of approval of the interim dividend. The positive position of the reciprocal credit line with Imperial Brands for 2,410 million euros, and the net profit recorded of 119.4 million euros, both as of June 30, 2023, were considered sufficient for the payment of the approved interim dividend.

4. Accounting policies and measurement bases

The principal accounting policies and measurement bases used by the Company in preparing its financial statements for 2023, in accordance with the Spanish National Chart of Accounts, were as follows:

4.1 Financial instruments

The Company recognizes a financial instrument on the balance sheet when it becomes an obligated party to the contract or legal transaction in accordance with the provisions thereof, either as issuer or as an investor or acquirer. Financial instruments are recognized on the balance sheet when it becomes an obligated party to the contract or legal transaction in accordance with the provisions thereof, either as an issuer or as an investor or acquirer of the contract.

4.1.i Financial assets

Classification and valuation

At the time of initial recognition, the Company classifies all financial assets into one of the categories listed below, which determines the applicable initial and subsequent valuation method:

- Financial assets at fair value with changes in the income statement

- Financial assets at amortized cost

- Financial assets at fair value with changes in equity

- Financial assets at cost

Financial Assets at Amortized Costs

The Company classifies a financial asset in this category, even when it is admitted to trading on an organized market, if the following conditions are met:

- The Company maintains the investment under a management model whose objective is to receive the cash flows derived from the execution of the contract.

  The management of a portfolio of financial assets in order to obtain its contractual flows does not necessarily imply that all instruments must be held to maturity; Financial assets may be considered to be managed for that purpose even if sales have occurred or are expected to occur in the future. To this end, the Company considers the frequency, amount and timing of sales in prior periods, the reasons for those sales and expectations regarding future sales activity.

- The contractual characteristics of the financial asset give rise, on specified dates, to cash flows that are only principal and interest collections on the amount of outstanding principal. That is, cash flows are inherent in an arrangement that is in the nature of an ordinary or common loan, notwithstanding that the transaction is agreed at a zero or below-market interest rate.

  It is assumed that this condition is met, in the event that a bond or a simple loan with a certain maturity date and for which the Company charges a variable market interest rate, may be subject to a limit. Conversely, it is assumed that this condition is not met in the case of instruments convertible into equity instruments of the issuer, loans with inverse variable interest rates (i.e. a rate that has an inverse relationship with market interest rates) or those in which the issuer may defer the payment of interest, if such payment would affect its solvency, without the deferred interest accruing additional interest.

In general, credits due to trade transactions ("trade receivables for sales and provision of services", including group companies) and credits due to non-trade transactions ("other receivables") are included in this category.

Financial assets classified in this category are initially measured at their fair value, which, unless there is evidence to the contrary, is assumed to be the transaction price, which is equal to the fair value of the consideration paid, plus any transaction costs directly attributable to them. That is, the inherent transaction costs are capitalized.

However, credits due to trade transactions with a maturity of no more than one year and which do not have an explicit contractual interest rate, as well as loans to personnel, dividends receivable and disbursements required on equity instruments, the amount of which is expected to be received in the short term, are valued at their nominal value when the effect of not updating cash flows is not significant.

For subsequent valuation, the amortized cost method is used. Accrued interest is recorded in the profit and loss account (financial income) using the effective interest rate method.

Credits maturing in no more than one year which, as explained above, are initially valued at their nominal value, will continue to be valued at that amount, unless they have been impaired.

In general, when the contractual cash flows of a financial asset at amortized cost are modified due to the issuer's financial difficulties, the Company analyzes whether an impairment loss should be recognized.

Financial assets at cost

The Company includes in this category, in any case:

a) Investments in equity of group, multigroup and associated companies.

b) Other investments in equity instruments whose fair value cannot be determined by reference to a price quoted on an active market for an identical instrument, or cannot be reliably estimated, and derivatives underlying those investments.

c) Hybrid financial assets whose fair value cannot be reliably estimated, unless the requirements for accounting for them at amortized cost are met.

d) Contributions made as a result of a contract of joint accounts and similar.

e) Participative loans whose interest is contingent, either because a fixed or variable interest rate is agreed conditional on the fulfillment of a milestone in the borrowing company (for example, the obtaining of profits), or because they are calculated exclusively by reference to the evolution of the activity of said company.

f) Any other financial asset that should initially be classified in the fair value portfolio with changes in the profit and loss account where it is not possible to obtain a reliable estimate of its fair value.

Investments included in this category are initially measured at cost, which is equal to the fair value of the consideration delivered plus any transaction costs directly attributable to them. That is, the inherent transaction costs are capitalized. The criterion used to value the shares received through of a non-monetary contribution made by Altadis, S.A.U. (former majority shareholder of the Company) was to maintain the value at which the contributed shares were recorded in the individual financial statements of the contributing company at the date of the contribution.

In the case of investments in group companies, if there is an investment prior to its classification as a group company, multi-group or associate, the cost of that investment will be considered to be the book value that it should have had immediately before the company becomes classified as such.

The subsequent valuation is also at cost, minus, where applicable, the cumulative amount of impairment adjustments.

Contributions made as a result of a joint venture agreement and similar accounts are valued at cost, increased or decreased by the profit or loss, respectively, corresponding to the company as a non-managing participant, minus, where applicable, the accumulated amount of impairment adjustments.

The same criterion applies to participative loans whose interest is contingent, either because a fixed or variable interest rate is agreed conditional on the achievement of a milestone in the borrowing company (for example, the achievement of profits), or because they are calculated exclusively by reference to the evolution of the activity of that company. If, in addition to contingent interest, an irrevocable fixed interest is agreed, the latter is accounted for as financial income on the basis of its accrual. Transaction costs are charged to the profit and loss account on a straight-line basis over the life of the participative loan.

Balance sheet deregistration of financial assets

The Company deregisters a financial asset from its balance sheet when:

- Contractual rights to the cash flows of the asset expire. In this sense, a financial asset is deregistered when it has matured, and the Company has received the corresponding amount.

- The contractual rights to the cash flows of the financial asset have been transferred. In this case, the financial asset is decommissioned when the risks and profits inherent in its ownership have been substantially transferred. In particular, in sales transactions with a repurchase agreement, factoring and securitization, the financial asset is deregistered once the Company's exposure, before and after the disposal, to the change in the amounts and timing of the net cash flows of the transferred assets has been compared. It follows that the risks and benefits have been transferred.

After the analysis of the risks and benefits, the Company records the deregistration of financial assets according to the following situations:

a) The risks and benefits inherent in the ownership of the asset have been substantially transferred. The transferred asset is derecognized from the balance sheet and the Company recognizes the result of the transaction: the difference between the consideration received net of attributable transaction costs (considering any new assets obtained less any liabilities assumed) and the carrying amount of the financial asset, plus any accumulated amounts that have been recognized directly in equity.

b) The risks and benefits inherent in the ownership of the asset have been substantially retained by the Company. The financial asset is not written off and a financial liability is recognized for the same amount as the consideration received.

c) The risks and rewards inherent in the ownership of the asset have not been substantially transferred or retained. In this case, there are two possible situations:

o Control is transferred (the assignee has the practical ability to re-transfer the asset to a third party): the asset is written off.

o Control is not transferred (the transferee does not have the practical capacity to transfer the asset back to a third party): the Company continues to recognize the asset for the amount to which it is exposed to changes in the value of the transferred asset, i.e. its continued involvement, and must recognize an associated liability.

Impairment of financial assets

Debt instruments at amortized cost

At least at the end of the financial year, the Company analyzes whether there is objective evidence that the value of a financial asset, or a group of financial assets with similar risk characteristics collectively valued, has deteriorated as a result of one or more events that have occurred after its initial recognition and that cause a reduction or delay in estimated future cash flows which may be motivated by the insolvency of the debtor.

Where such evidence exists, the impairment loss is calculated as the difference between the carrying amount and the present value of future cash flows, including, where applicable, those from the enforcement of security interests and personal guarantees, which are estimated to be generated, discounted at the effective interest rate calculated at the time of initial recognition. For financial assets at a variable interest rate, the effective interest rate corresponding to the closing date of the annual accounts is used in accordance with the contractual conditions. In calculating impairment losses on a group of financial assets, the Company uses models based on formulas or statistical methods.

Impairment adjustments, as well as their reversal when the amount of such loss decreases due to causes related to a subsequent event, are recognized as an expense or an income, respectively, in the profit and loss account. The reversal of impairment is limited to the carrying amount of the asset that would have been recognized on the reversal date if the impairment had not been recorded.

As a substitute for the present value of future cash flows, the Company uses the market value of the instrument, provided that it is sufficiently reliable to be considered representative of the value that the Company could recover.

Financial assets at cost

In this case, the amount of the valuation adjustment is the difference between its carrying amount and the recoverable amount, understood as the greater of its fair value less selling costs and the present value of the future cash flows derived from the investment, which in the case of equity instruments are calculated, by estimating its participation in the cash flows expected to be generated by the investee company, arising both from its ordinary activities and from its disposal or deregistration in accounts. Unless there is better evidence of the recoverable amount of investments in equity instruments, the estimate of impairment loss for this asset class is calculated based on the investee's equity and the tacit capital gains existing at the valuation date, net of the tax effect.

Value in use is calculated from an estimate of the cash flows that each cash-generating unit will generate in the future, discounted at a rate that reflects the current cost of money and the specific risks associated with the asset. Fair value means o the value at which the asset in question could be disposed of under normal conditions and is determined on the basis of market information, comparable transactions, etc.

The recognition of valuation adjustments for impairment and, where appropriate, their reversal, are recorded as an expense or income, respectively, in the profit and loss account. The impairment reversal is limited to the carrying amount of the investment that would be recognized on the reversal date if the impairment had not been recorded.

The Company uses the budgets and business plans of the cash generating unit to which the assets are allocated. The key assumptions on which the budgets and business plans are built are determined on the basis of each type of business and are based on experience and knowledge of the evolution of each of the markets in which the Group operates.

The extrapolation of the estimated cash flows for the period not covered by the business plan is carried out while maintaining a zero growth rate and an expense structure similar to that of the last year of the business plan.

The most relevant hypotheses used in the performance of the impairment test were the following:

	2023		2022	
	Discount rate	Growth Rate	Discount Rate	Growth Rate
Iberia, tobacco and related products	8,61%	0,00%	9,68%	0,00%
Italy, tobacco and related products	9,89%	0,00%	10,65%	0,00%
France, tobacco and related products	7,78%	0,00%	7,86%	0,00%
Iberia, transportation	10,61%	0,00%	10,84%	0,00%
Iberia, other business: Pharma	8,48%	0,00%	8,29%	0,00%

The discount rate used, in general, is a pre-tax measure based on the risk-free rate for 10-year bonds issued by the government in the relevant markets, adjusted by a risk premium to reflect the increase in investment risk by country and the Company's systematic risk.

The parameters considered for the composition of the previous discount rates have been:

- Risk-free bond: 10-year bond of the reference market of the CGU (Cash Generating Unit).

- Market risk premium: annual average of the risk premium of each country in the Group.

- Unleveraged beta: according to the average of each sector in each case.

-Debt/equity ratio: sectoral average.

As of September 30, 2023, the Company's Directors have concluded that there is impairment in the entity Logista Payments, S.L.U. amounting to 12 thousand euros (See Note 5.1).

As of September 30, 2022, the Company's Directors concluded that there was impairment in the entity Logista Payments, S.L.U. amounting to 47 thousand euros. In addition, the impairment recorded at Logista Polska, Z.o.o. was reversed for an amount of 270 thousand euros (See Note 5.1)

Interest and dividends received on financial assets

Interest and dividends on financial assets accrued after the time of acquisition are recorded as income in the profit and loss account. Interest is recognized using the effective interest rate method and dividends when entitlement to receive it is declared.

If the dividends distributed come unequivocally from results generated prior to the acquisition date because amounts greater than the profits generated by the investee since the acquisition have been distributed, they will not be recognized as income, and will reduce the book value of the investment. The judgment on whether profits have been generated by the investee will be made exclusively on the basis of the profits recorded in the individual profit and loss account from the date of acquisition unless the distribution against said profits must undoubtedly be qualified as a recovery of the investment from the perspective of the entity receiving the dividend.

4.1.ii Financial liabilities

Classification and valuation

At the time of initial recognition, the Company classifies all financial liabilities into one of the categories listed below:

- Financial liabilities at amortized cost

- Financial liabilities at fair value with changes in the income statement

Financial liabilities at amortized cost

The Company classifies all financial liabilities in this category except when they are to be measured at fair value with changes in the profit and loss account.

Generally, this category includes commercial transaction debits ("suppliers") and non-commercial transaction debits ("other creditors").

Participative loans that have the characteristics of an ordinary or common loan are also included in this category without prejudice to the operation being agreed at a zero or below-market interest rate.

Financial liabilities included in this category are initially measured at fair value, which, unless evidenced otherwise, is considered to be the transaction price, which equals the fair value of the consideration received adjusted for the transaction costs directly attributable to them. That is, the inherent transaction costs are capitalized.

However, debts for commercial transactions maturing not exceeding one year and not having a contractual interest rate, as well as disbursements required by third parties on units, the amount of which is expected to be paid in the short term, are valued at their nominal value, when the effect of not updating cash flows is not material. For the subsequent valuation, the amortized cost method is used. Accrued interest is recorded in the profit and loss account (financial expense), using the effective interest rate method.However, debts with a maturity not exceeding one year which, in accordance with the provisions above, are initially valued at their nominal value, will continue to be valued at that amount.

Contributions received as a result of a joint account contract and the like are valued at cost, plus or decrease by profit or loss, respectively, to be attributed to non-managing unit-holders.

The same criterion applies to participative loans whose interest is contingent, either because a fixed or variable interest rate is agreed conditional on the fulfillment of a milestone in the borrowing company (for example, the making of profits), or because they are calculated exclusively by reference to the evolution of the activity of the aforementioned company. Financial charges are recognized in the profit and loss account on an accrual basis and transaction costs shall be charged to the profit and loss account on a financial basis or, if not applicable, on a straight-line basis over the life of the equity loan.

Reduction of balance sheet of financial liabilities

The Company deregisters from the balance sheet a previously recognized financial liability when any of the following circumstances occur:

- The obligation has been extinguished because payment has been made to the creditor to cancel the debt (through payments in cash or other goods or services), or because the debtor is legally relieved of any responsibility over the liability.

- Financial liabilities are acquired, even with the intention of allocating them in the future.

- There is an exchange of debt instruments between the lender and the borrower, as long as they have substantially different conditions, recognizing the new financial liability that arises; In the same way, there is a substantial modification of the current conditions of a financial liability, as indicated for debt restructurings.

The write-down of a financial liability is carried out as follows: the difference between the carrying amount of the financial liability (or the part thereof that has been written off) and the consideration paid, including attributable transaction costs, and in which any assets transferred other than the cash or liability assumed must also be collected, it is recognized in the profit and loss account for the period in which it takes place.

Fair value

Fair value is the price that would be received for the sale of an asset or paid to transfer or cancel a liability through an orderly transaction between market participants on the valuation date. Fair value shall be determined without deduction for transaction costs that may be incurred by reason of disposal or disposal by other means. In no case does it have the character of fair value that it is the result of a forced, urgent transaction or as a result of an involuntary liquidation situation.

Fair value is estimated for a certain date and because market conditions may vary over time, that value may be inappropriate for another date. In addition, when estimating fair value, an enterprise considers the conditions of the asset or liability that market participants would take into account when pricing the asset or liability at the valuation date.

In general, fair value is calculated by reference to a reliable market value. For those elements for which there is an active market, fair value is obtained, where appropriate, through the application of valuation models and techniques. Valuation models and techniques include the use of references to recent transactions under conditions of mutual independence between interested parties and duly informed, if available, as well as references to the fair value of other assets that are substantially the same, discounting methods of estimated future cash flows and models generally used to value options.

In any case, the valuation techniques used are consistent with the methodologies accepted and used by the market for pricing, using, if any, the one that has been shown to obtain more realistic price estimates. They also consider the use of observable market data and other factors that their participants would consider when setting the price, limiting as much as possible the use of subjective considerations and unobservable or verifiable data.

The Company evaluates the effectiveness of the valuation techniques it uses on a periodic basis, using as a reference the observable prices of recent transactions in the same asset that is valued or using prices based on observable market data or indices that are available and applicable.

In this way, a hierarchy is deduced in the variables used in the determination of fair value and a fair value hierarchy is established that allows the estimates to be classified into three levels:

- Level 1: estimates using unadjusted quoted prices in active markets for identical assets or liabilities, which the company can access on the valuation date.

- Level 2: estimates using quoted prices in active markets for similar instruments or other valuation methodologies in which all significant variables are based on directly or indirectly observable market data.

- Level 3: estimates in which some significant variable is not based on observable market data.

A fair value estimate is classified at the same level of the fair value hierarchy as the lower-level variable that is material to the valuation outcome. For these purposes, a significant variable is one that has a decisive influence on the result of the estimate. The assessment of the importance of a particular variable for the estimation takes into account the specific conditions of the asset or liability being valued.

4.2 Revenue and expense recognition

In accordance with the Resolution of the Spanish Accounting and Auditing Institute (I.C.A.C.) 79/2009 Consultation 2, regarding the classification in the individual annual accounts of the income and expenses of a holding company, whose main activity is the holding of shares as well as the financing of the operations carried out by its investees, the Company classifies the income from dividends and interest earned on financing granted to its investees, under the heading "Revenue" in the income statement.

Likewise, an item must be created within the operating margin to record the valuation adjustments for impairment made to the different financial instruments associated with its activity, as well as the losses and expenses arising from their removal from the balance sheet or valuation at fair value.

Likewise, revenue and expenses are recognized on an accrual basis, i.e. when the actual flow of the related goods and services occurs, regardless of when the resulting monetary or financial flow arises. Revenue is measured at the fair value of the consideration received, net of discounts and taxes.

Revenue

Revenue associated with the rendering of services is recognized by reference to the stage of completion of the transaction at the balance sheet date, provided that the outcome of the transaction can be estimated reliably.

Interest income from financial assets is recognized using the effective interest method and dividend income is recognized when the shareholder's right to receive payment has been established. Interest and dividends from financial assets accrued after the date of acquisition are recognized as income in the income statement.

Expenses

Expenses are recognized in the abridged income statement when there is a decrease in future economic benefits related to a reduction of an asset or an increase in a liability that can be measured reliably. This implies that the recording of an expense occurs simultaneously with the recording of the increase in the liability or reduction of the asset.

An expense is recognized immediately when a disbursement does not generate future economic benefits or when it does not meet the requirements for recognition as an asset.

4.3 Income tax

Tax expense (or tax income) comprises current tax expense (or current tax income) and deferred tax expense (or deferred tax income).

The current income tax expense is the amount payable by the Company as a result of income tax settlements for a given year. Tax credits and other tax benefits, excluding tax withholdings and pre-payments, and tax loss carry forwards from prior years effectively offset in the current year reduce the current income tax expense.

The deferred tax expense or income relates to the recognition and derecognition of deferred tax assets and liabilities. These include temporary differences measured at the amount expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities and their tax bases, and tax loss and tax credit carry forwards. These amounts are measured at the tax rates that are expected to apply in the period when the asset is realised, or the liability is settled.

In general, deferred tax liabilities are recognised for all taxable temporary differences. However, deferred tax assets are recognised to the extent that it is considered probable that the Company will have taxable profits in the future against which the deferred tax assets can be utilised.

Also, unrecognised deferred tax assets are reassessed at the end of each reporting period and are recognised to the extent that it has become probable that they will be recovered through future taxable profits.

The deferred tax assets recognised are reassessed at the end of each reporting period and the appropriate adjustments are made to the extent that there are doubts as to their future recoverability.

Deferred tax assets and liabilities arising from transactions charged or credited directly to equity are also recognised in equity.

From 2017 onwards, the Company is the parent of the tax group, with tax Group number 548/17 assigned.

4.4 Pension and other employee benefit obligations

All current share-based payment plans include vesting periods of three years. The vesting conditions are as follows:

1. Compliance with the objectives set for each period.

2. The achievement of these objectives must be approved by the Board of Directors at the end of each vesting period.

3. That the employee has not voluntarily resigned or has not been dismissed for disciplinary reasons during the vesting period.

The method of settlement is always through equity instruments delivered free of charge, although some beneficiaries receive them net of income tax.

On December 20, 2016, the Company's Board of Directors approved the long-term incentive plan (the General Plan and the Special Plan), for the period from 2017 to 2022, implemented in three blocks of three years each, with the first block commencing on October 1, 2017. During the years 2020 and 2021, the First and Second Consolidation Periods of the General and Special Plans 2017 will be consolidated, respectively.

On 28 January 2020, the Board of Directors approved the list of beneficiaries of the third block, with 62 beneficiaries included in the General Plan and 9 beneficiaries considered in the Special Plan. The total estimated cost of the third block of the plan amounts to 3,023 thousand euros. This third vesting period ended on September 30, 2022 with a total of 85,095 shares delivered, for a total cost of 1,787 thousand euros. These shares were delivered in some cases net of income tax. The consolidation took place after the approval of the Board of Directors on November 3, 2022, where the percentages of achievement were determined, which were 70% for the General Plan and 60% for the special plan, based on the fulfillment of its objectives: financial objective (EBIT) and comparative shareholder return.

On 26 November 2019, the Company’s Board of Directors approved the Logista Group’s 2020-2025 Long-Term Incentive Plan (the General Plan and the Special Plan), which accrues from 1 October 2020 and matures on 30 September 2025 and is implemented in three three-year blocks, with settlements occurring at the end of each block. This Plan was replaced by the 2020 Plan, which the Board of Directors approved on 28 January 2020, configuring it as an extension of the old 2017 Plan. This Plan was launched by the Board of Directors on 27 October 2020, with a single vesting period ending on 30 September 2023, with a list of beneficiaries and a maximum number of shares to be distributed for the vesting period 2021-2023 of 62 beneficiaries for the General Plan and 11 beneficiaries for the Special Plan, amounting to 2,812 thousand euros. This single Consolidation Period of the General and Special 2020 Plans has been consolidated at the end of fiscal year 23 with a 98.33% achievement of objectives for both Plans, based on the fulfillment of their objectives, which are: EBIT financial objective, comparative shareholder return and Sustainability objectives (emissions reduction and CDP-List score).

On February 4, 2021, the Board of Directors of the Company approved the Long-Term Incentive Plan (Plan 21-23) structured in three overlapping cycles of three years each. On November 4, 2021, the Board of Directors of the Company approved the list of beneficiaries of the first block, with 62 beneficiaries and for an estimated total cost of 3,275 thousand euros.

On November 3, 2022, the Board of Directors of the Company approved the list of beneficiaries of the second Consolidating Period of the 21-23 Plan, with 62 beneficiaries and an estimated total cost of 3,163 thousand euros.

The Company holds 751,989 treasury shares to cover the incentive plans in force.

On September 27, 2022, the Company’s Board of Directors approved the purchase of treasury shares up to a maximum of 141,000 shares and until October 1, 2023, to cover the new incentive plan that was approved in November 2022.

Finally, on September 27, 2023, the Board of Directors of the Company approved the purchase of treasury shares up to a maximum of 118,000 shares and until October 1, 2024 to cover the new incentive plan that will be approved in November 2023.

4.5 Related party transactions

The Company performs all its transactions with related parties on an arm's length basis. Also, the transfer prices are adequately supported and, therefore, the Company's Directors consider that there are no material risks in this connection that might give rise to significant liabilities in the future.

4.6 Environmental assets and liabilities

Environmental assets are deemed to be assets used on a lasting basis in the Company's operations whose main purpose is to minimize environmental impact and protect and improve the environment, including the reduction or elimination of future pollution.

Because of their nature, the Company's business activity does not have a significant environmental impact.

4.7 Current and Non-current classification

Current assets are assets associated with the normal operating cycle, which in general is considered to be one year; other assets which are expected to mature, be disposed of or be realized within twelve months from the end of the reporting period, held-for-trading financial assets, and cash and cash equivalents. Assets that do not meet these requirements are classified as non-current assets.

Similarly, current liabilities are liabilities associated with the normal operating cycle, held-for-trading financial liabilities and, in general, all obligations that will mature or be extinguished at short term. All other liabilities are classified as non-current liabilities.

4.8 Treasury Shares

Treasury stock is recorded in equity as less shareholders' equity when acquired, and no gain or loss is recorded in the income statement for its sale or cancellation. Income and expenses arising from transactions with treasury stock are recorded directly in equity as less reserves.

4.9 **Cash and other equivalent liquid assets**

This heading includes cash on hand, bank checking accounts and deposits and temporary acquisitions of assets that meet all of the following requirements:

- They are convertible into cash.
- At the time of its acquisition, its maturity was not more than three months.
- They are not subject to a significant risk of change in value.
- They are part of the Company's normal treasury management policy.

For the purposes of the statement of cash flows, occasional overdrafts that form part of the Company's cash management are included as less cash and other equivalent liquid assets.

5. Financial assets

5.1 Non-current investments in Group companies

The detail of "Non-Current Investments in Group companies and associates" at 30 September 2023 and 2022 is as follows:

2023

	Thousands of euros			
	30.09.2022	Additions	Disposals	30.09.2023
Cost:				
Equity investments	2,534,593	200,875	(2,251)	2,733,217
Total cost:	**2,534,593**	**200,875**	**(2,251)**	**2,733,217**
Impairment / Reversals	(16,519)	(12)	-	(16,531)
Total non-current investments	**2,518,074**	**200,863**	**(2,251)**	**2,716,686**

2022

	Thousands of euros			
	30.09.2021	Additions	Disposals	30.09.2022
Cost:				
Equity investments	2,534,603	2,628	(2,637)	2,534,593
Total cost:	**2,534,603**	**2,628**	**(2,637)**	**2,534,593**
Impairment / Reversals	(16,742)	(47)	270	(16,519)
Total non-current investments	**2,517,861**	**2,581**	**(2,367)**	**2,518,074**

Details of cost additions to "Long-term investments in Group companies" as of September 30, 2023 and 2022 are as follows:

2023

	Thousands of euros
	Additions
Compañía de Distribución Integral Logista S.A.U	2,866
Logista Transport Europe B.V.	20,274
Carbó Collbatalle, S.A.U.	54,990
Herinvemol, S.L.	122,745
Total	**200,875**

2022

	Thousands of euros
	Additions
Compañía de Distribución Integral Logista S.A.U	2,628
Total	**2,628**

During 2023, the Company has recognized as the highest value of its investment in Compañía de Distribución Integral Logista, S.A.U. the amount accrued by the long-term incentive plans for an amount of 2,866 thousand euros (2,628 thousand euros in 2022) and as a lower value the liquidation of the second Consolidation Period of the 2017 Incentive Plan plus the shares of the other two Incentive Plans in force, for an amount of 2,251 thousand euros (in 2022 the highest value of the investment was 262 thousand euros) (see Note 4.4).

On February 7, 2022, the new company Logista Transport Europe, B.V. was incorporated with a share capital of 3 thousand euros. The Company has its registered office at Laarderhoogtweg 25, 1101EB Amsterdam. With effect from September 30, 2023, Logista Holdings has made a contribution to this subsidiary in the amount of 20,271 thousand euros corresponding to the balance of the current account it maintained with said investee company. In turn, the Company owns 70% of the shares of Speedlink Worldwide Express B.V., 24 Hours B.V. and German-Ex B.V.

On October 28, 2022, the Company materialized the acquisition of a 60% stake in Herinvemol. S.L. (Transportes El Mosca) for 98,980 thousand euros, which in turn owns all the shares of the following companies: Transportes el Mosca, S.A., Mosca Marítimo, S.L., Ordimur, S.L., Transportes el Mosca Murcia, S.L., Innoreste, S.L., Mosca Marítimo Baleares, S.L., Mosca Portugal, S.Lda, Mosca Marítimo Baleares, S.L., Mosca Portugal, Lda., Mosca China, Logistics Ltd., Mosca Italia S.r.L. and Albacetrans, S.L. On August 3, 2023, the Company announced the acquisition of an additional 13.33% with a payment of 23,765 thousand euros, increasing its shareholding to 73.33%. At closing of fiscal year 2023, 750 thousand euros were pending disbursement for this item, which are included under the heading "Short-term debt".
Also, in October 2022, the Company acquired all the shares of the Spanish company Carbó Collbatallé S.L. for Euros 54,990 thousand, which in turn owns all the shares of Transportes J. Carbó Guijuelo, S.L. In September 2023, the Company approved the payment in the amount of 4,290 thousand euros, as a consequence of obligations under the purchase and sale agreement, which was pending disbursement at the end of the year.

As of September 30, 2023, the Company's directors have concluded that there is an impairment of 12 thousand euros in the Logista Payments, S.L.U. company.

On February 22, 2022, the Company's Board of Directors approved and signed a private agreement for the prior agreement and sale and purchase of shares of Compañía de Distribuidora del Noroeste, S.L. to Compañía de Distribución Integral de Publicaciones Logista, S.L.U., as part of the reorganization of the Logista Group's current corporate structure.

As of September 30, 2022, as a result of this transaction, the Company recorded the sale of 25,000 shares of Compañía de Distribuidora del Noroeste, S.L. ("Acquired Company") to Compañía de Distribución Integral de Publicaciones Logista, S.L.U. ("Acquiring Company") for an amount of 271 thousand euros.

At September 30, 2022, the Company's directors concluded that Logista Payments, S.L.U. was impaired in the amount of 47 thousand euros. Additionally, a reversal of the impairment recorded in Compañía de Distribución Integral Logista Polska, S.p.Z.o.o. in the amount of 270 thousand euros was recorded.

The most significant information relating to the Group company as of 30 September 2023 and 2022, in individual data, is as follows:

2023

	Address	Direct % Ownership		Thousands of Euros							
				Data of the Companies					Carrying Value		
		Direct	Indirect	Share Capital	Operating Profit	Profit	Reserves and Other	Total Equity	Cost	Reversal / (Impairment) in the Year	Accumulated Impairment
Compañía de Distribución Integral Logista S.A.U (*)	Madrid	100	-	26,550	97,529	68,349	117,267	212,166	940,439	-	-
Logista Retail S.A.U. (*) (***)	Madrid	100	-	902	3,765	1,632	(924)	1,610	1,202	-	-
Dronas 2002, S.L.U. (*)	Barcelona	100	-	12,562	25,302	19,206	(4,714)	27,054	21,293	-	-
Logista Freight, S.A.U. (*) (****)	Madrid	100	-	1,000	2,684	4,736	(4,276)	1,460	4,510	-	-
La Mancha 2000, S.A.U. (*)	Guadalajara	100	-	1,352	295	255	113	1,720	1,352	-	-
Compañía de Distribución Integral de Publicaciones Logista, S.L.U. (*)	Madrid	100	-	1,100	(9)	(22)	1,677	2,755	1,929	-	(1,929)
Logista Libros, S.L. (*)	Guadalajara	50	-	500	6,382	5,189	10,668	16,357	1,490	-	-
Logista Payments, S.L.U.	Madrid	100	-	200	(16)	(12)	(83)	105	200	(12)	(95)
CDIL-Companía de Distribuiçao Integral Logista Portugal, S.A.(*)	Portugal	100		50	5,963	13,489	28,100	41,639	50	-	-
Logista Pharma, S.A.U.(*)	Barcelona	100	-	4,368	12,780	9,337	(3,222)	10,483	14,994	-	-
Logista Pharma Canarias, S.A.U. (*)	Barcelona	100	-	120	1,607	1,247	(344)	1,023	1,657	-	-
Logista France Holding, S.A.S. (*)	Tremblay (Francia)	100	-	11,108	(5)	(371)	(7,634)	3,103	10,989	-	(7,675)
Logista France, S.A.S. (*)	Vincennes (Francia)	100	-	107,250	57,240	73,618	(35,944)	144,924	920,161	-	-
Logista Italia, S.p.A. (*)	Roma (Italia)	100	-	15,164	103,219	107,776	19,687	142,627	605,627	-	-
Logista Transporte Europe B.V.	Amsterdam	100	-	3	(3)	(3)	20,271	20,271	20,274	-	-
Carbó Collbatalle, S.L.U.	Barcelona	100	-	2,030	6,058	4,624	1,387	8,041	54,990	-	-
Herinvemol, S.L.	Molina de Segura (Murcia)	73,3	-	11,686	(86)	(180)	34,631	46,137	122,745	-	-
Logista Freight Polska, S.p.Z.o.o. (*) (*****)	Varsovia (Polonia)	49	51(**)	216	839	668	23	907	128	-	-
Compañía de Distribución Integral Logista Polska, S.p.Z.o.o. (*)	Varsovia (Polonia)	100	-	259	1,547	1,118	1,194	2,571	9,187	-	(6,832)
									2,733,217	**(12)**	**(16,531)**

(*) Audited figures.
(**) Company owned through Logista Freight, S.A.U.
(***) Previously named Logista-Dis, S.A.U.
(****) Previously named Logesta Gestión de Transporte, S.A.U.
(****) Previously named Logesta Polska, S.p.Z.o.o.

2022

Company	Address	Direct % Ownership		Thousands of Euros							
				Data of the Companies					Carrying Value		
		Direct	Indirect	Share Capital	Profit for the Year		Reserves and Other	Total Equity	Cost	Reversal / (Impairment) in the Year	Accumulated Impairment
					Operating Profit	Profit					
Compañía de Distribución Integral Logista S.A.U (*)	Madrid	100	-	26,550	71,801	64,045	120,088	210,684	939,824	-	-
Logista-Dis, S.A.U. (*)	Madrid	100	-	902	6,317	4,323	178	5,402	1,202	-	-
Dronas 2002, S.L.U. (*)	Barcelona	100	-	12,562	23,365	18,926	(5,326)	26,162	21,293	-	-
Logesta Gestión de Transporte, S.A.U. (*)	Madrid	100	-	1,000	1,836	3,352	(128)	4,224	4,510	-	-
La Mancha 2000, S.A.U. (*)	Guadalajara	100	-	1,352	222	176	338	1,866	1,352	-	-
Company de Distribución Integral de Publicaciones Logista,S.L.U. (*)	Madrid	100	-	1,100	188	348	1,329	2,777	1,929	-	(1,929)
Logista Libros, S.L. (*)	Guadalajara	50	-	500	7,578	5,594	5,073	11,168	1,490	-	-
Logista Payments, S.L.U.	Madrid	100	-	200	(62)	(47)	(36)	117	200	(47)	(83)
CDIL-Compañía de Distribuiçao Integral Logista, S.A. (*)	Portugal	100		50	5,256	11,252	28,100	39,401	50	-	-
Logista Pharma, S.A.U.(*)	Barcelona	100	-	4,368	12,747	9,580	(3,092)	10,856	14,994	-	-
Logista Pharma Canarias, S.A.U. (*)	Barcelona	100	-	120	1,185	899	(45)	975	1,657	-	-
Logista France Holding, S.A.S. (*)	Tremblay (France)	100	-	11,108	-	-	(131)	10,977	10,989	-	(7,675)
Logista France, S.A.S. (*)	Vincennes (France)	100	-	107,250	52,075	31,236	3,633	142,118	920,161	-	-
Logista Italia, S.p.A. (*)	Rome (Italy)	100	-	15,164	96,913	77,451	19,686	112,301	605,627	-	-
Logesta Polska, S.p.Z.o.o. (*)	Warsaw (Poland)	49	51(**)	206	698	527	49	762	128	-	-
Logista Polska, S.p.Z.o.o (*)	Warsaw (Poland)	100	-	248	1,241	1,030	1,147	2,383	9,187	270	(6,832)
									2,534,593	**223**	**(16,519)**

(*) Audited figures.
(**) Investee company through Logesta Gestión de Transporte, S.A.

During the years 2023 and 2022, the Company received from its investees 272.774 thousand euros and 192,581 thousand euros in dividends (see Note 8.1 y 9.2).

5.2 Financial risk exposure

The management of the financial risks to which the Company is exposed in the course of its business activities constitutes one of the basic pillars of its activities aimed at preserving the value of its assets and its shareholder's investment.

The Company's activities are exposed to various financial risks: market risk (including exchange rate risk), credit risk, liquidity risk and cash flow interest rate risk.

The Company's financial risk management is centralised in Logista Group's Finance Division. This Division has established the mechanisms required to control based on the structure and financial position of the Company and on the economic variables of the business- exposure to interest rate and exchange rate fluctuations and credit and liquidity risk.

a. Credit risk:

   The Company's main financial assets are cash and loans to Group companies. In general, the Group holds its cash and cash equivalents at banks with high credit ratings.

b. Liquidity risk:

   The Company, for the purpose of ensuring liquidity and enabling it to meet all the payment obligations arising from its business activities, has the cash and cash equivalents disclosed in its balance sheet, together with the credit and financing facilities obtained through the cash assignment agreement entered into with Imperial Brands PLC Group (see Note 9).

c. Market risk (including interest rate, foreign currency and other price risks):

   In relation to its cash and cash equivalents the Company is exposed to interest rate fluctuations that could have an effect on its results and cash flows, although due to the Company's financial structure, management considers that this impact would not be material in any event.

The level of exposure of the equity and income statement to the effects of future changes in prevailing exchange rates is not significant.

The Company does not have any direct or indirect significant investments in foreign entities that operate in currencies other than the euro and does not perform significant transactions in countries with currencies other than the euro.

6. Equity

6.1 Share capital

At 30 September 2023 and 2022, the Company's share capital amounted to 26,550 thousand of euros and was represented by 132,750,000 fully subscribed and paid shares of EUR 0.2 per value each, all of which are of the same class.

As indicated in Note 1, the Parent was incorporated on 13 May 2014 with a share capital of 60 thousand of euros, divided into 300,000 shares of EUR 0.2 par value each, all of the same class, which were fully subscribed and paid in cash by the Parent's sole shareholder, Altadis, S.A.U.

On 4 June 2014, Altadis, S.A.U. approved a capital increase of 26,490 thousand of euros at the Parent, which was subscribed by means of a non-monetary contribution through the issue of 132,450,000 new shares of EUR 0.2 par value each, with a total share premium of 942,148 thousand of euros. The shares issued were of the same class as the outstanding shares, and they were fully subscribed and paid by Altadis, S.A.U. by means of the contribution to the Parent of the 44,250,000 registered shares representing the entire share capital of Compañía de Distribución Integral Logista, S.A.U. (which was, until that time, the Parent of the Logista Group). In this connection, it should be noted that the aforementioned non-monetary contribution was subject to the requisite appraisal by an independent expert appointed by the Mercantile Registry, in accordance with the Consolidated Spanish Limited Liability Companies Law and the Mercantile Registry Regulations.

The offering of shares in the Company came to an end on 14 July 2014, and its shares are currently listed for trading on the Madrid, Barcelona, Bilbao and Valencia Stock Exchanges.

On 20 July 2021 Altadis, S.A.U. agreed to sell its stake in Compañía de Distribución Integral Logista Holdings, S.A., representing 50.01% of the share capital, to Imperial Tobacco LTD, a company also belonging to the Imperial Brands PLC Group.

The only shareholder with a percentage interest equal to or greater than 10% of the Company's capital stock as of September 30, 2023 and 2022 is Imperial Tobacco Limited with a percentage of 50.01%. (See Note 1).

At 30 September 2023 y 2022 all the Company's shares have equal voting and dividend rights.

The market capitalization of the Company as of September 30, 2023 and 2022 amounts to 3,216.6 million euros and 2,475.6 million euros, respectively.

6.2 Share premium

The Spanish Capital Companies Law expressly permits the use of the share premium account balance to increase the capital of the entities at which it is recognised and does not establish any specific restrictions as to its use.

There has been no movement in this caption at 30 September 2023 and 2022.

6.3 Legal reserve

Under the Spanish Capital Companies Law, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. The legal reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, unless other reserves are not available for this purpose.

At 30 September 2023, the legal reserve has reached the legally stipulated minimum.

6.4 Interim dividends

On 20 July 2023, the Company's Board of Directors approved the distribution of an interim dividend out of 2023 profit amounting to 64,619 thousand euros for which disbursement has already been made on 24 August 2023 (56,714 thousand of euros in 2022) (See Note 3).

6.5 Other reserves

These reserves are freely available. The Company recognized changes occurred in 2023 related to 2022 not distributed profit to the shareholders amounting 6,858 thousand euros.

6.6 Treasury shares

The Company holds 883,955 treasury shares amounting to 21,265 thousand of euros, of which 751,989 shares are earmarked to cover the long-term incentive plan payable in treasury shares for a total amount of 18,091 thousand of euros (877,939 treasury shares for an amount of 16,600 thousand euros at September 30, 2022, of which 734,561 shares were earmarked for coverage of the long-term incentive plan payable in treasury shares for a total amount of 13,437 thousand euros).).

On 20 January 2021, the Company entered into a liquidity contract with the bank Banco Santander, S.A., the purpose of which is to promote the liquidity and regularity of the Company's share price. This contract is in accordance with the liquidity contract model included in Circular 1/2017 of 26 April of the National Securities Market Commission (CNMV) on liquidity contracts. The total number of shares allocated to the securities account associated with the Liquidity Agreement is 120,000 shares and the term of the agreement is 12 months from that date, renewable for successive years.

6.7 Other shareholder contribution

This heading includes the annual allocation for 2023 and 2022 to the Share Plan blocks, amounting to 2,867 thousand euros and 2,628 thousand euros, respectively (see Notes 4.4 and 5.1). In addition, in the current year there is an application of 2,251 thousand euros for the settlement of the different blocks corresponding to the Incentive Plans in force of the company (see Notes 4.4 and 5.1).

6.8 Earnings per share

Basic earnings per share are determined by dividing the Company's net profit (after tax) by the weighted average number of shares outstanding during the year, excluding the average number of treasury shares held.

The calculation of earnings per share is as follows:

	Thousands of Euros	
	2023	2022
Net profit for the year (thousand of euros)	266,900	188,828
Weighted average number of issued shares (thousand of shares) (*)	131,841	131,855
Beneficio por acción (euros)	**2.02**	**1.43**

(*) As at 30 September 2023, the Parent Company of the Group holds 883,955 treasury shares.

At 30 September 2023, taking into account treasury shares that are subject to the long-term incentive plans, the calculation of diluted earnings per share would result in an amount of EUR 2.02 per share (30 September 2022: EUR 1.43 per share).

7. Tax matters

As indicated in Note 4.3, as of September 18, 2017, the Company is the head and responsible for the tax consolidation group and, therefore, the amount of the debtor resulting from the settlement of Corporation Tax of the consolidation group for the year 2023 is presented under the heading "Other credits with Public Administrations" of the balance sheet as of September 30, 2023 for an amount of 24,743 thousand euros in the year 2023 (1,700 thousand euros in the year 2022).

7.1 Current tax receivables and payables

The detail of the current tax receivables at 30 September 2023 and 2022 is as follows:

	Thousands of Euros	
	2023	2022
Non-resident income tax withholdings	3,021	2,587
Personal Income Tax withholdings	2,184	1,967
	5,205	**4,555**

7.2 Reconciliation of the accounting profit to the taxable profit

The reconciliation of the accounting profit to the taxable profit for income tax purposes is as follows:

	Thousands of Euros	
	2023	2022
Accounting profit before taxes	269,476	190,704
Permanent differences:		
Dividends (Note 8.1)	(259,135)	(182,952)
Non-deductible Expenses	120	60
(Endowment) / Reversal of portfolio of group companies	12	(223)
Adjusted taxable profit (fiscal result)	**10,473**	**7,589**
Temporary differences:		
Amortisation of goodwill	(26,946)	(26,946)
Adjusted tax base (tax result)	**(16,473)**	**(19,357)**

In 2023 and 2022 the Company applied the treatment provided for in Article 21.1 of the Spanish Income Tax Law in relation to the dividends received from its subsidiary and, therefore, considered them to be exempt (95%) from inclusion in the income tax calculation. In addition, the Company recognizes as a permanent difference the recognition and reversal of impairment in its investees (see Note 5.1).

Temporary differences in 2023 and 2022 correspond to the amortization of the goodwill of the investee company Logista Italia, S.p.A. (See Note 7.5).

7.3 Reconciliation of accounting profit to the income tax expense

The reconciliation of the accounting profit to the income tax expense is as follows:

	Thousands of Euros	
	2023	2022
Accounting profit for the year before tax	**269,476**	**190,704**
Permanent differences	**(259,003)**	**(183,175)**
Non-deductible Expenses	*120*	60
Portfolio provision	*12*	-
Dividendss	*(259,135)*	-
Temporary differences:	**(26,946)**	**(26,746)**
Amortisation of goodwill	*(26,946)*	*(26,746)*
Adjusted taxable loss	**(16,473)**	**(19,357)**
Tax charge (25% of taxable loss)	(4,118)	(4,839)
Deductions	(43)	(21)
Corporate tax adjustment (Note 7.5)	6,737	6,737
Income tax profit	**2,576**	**1,876**

7.4 Breakdown of income tax profit

The reconciliation of the accounting profit to the income tax expense is as follows:

	Thousands of Euros	
	2023	2022
Current tax	(4,161)	(4,861)
Deferred tax (Note 7.5)	6,737	6,737
Cost of Income tax	**2,576**	**1,876**

7.5 Changes in deferred tax liabilities

Movements in deferred taxes at September 2023 are as follows:

2023

	Thousands of Euros			
	2022	Additions	Disposals	2023
Deferred tax liabilities	93,258	6,737	-	100,265
	93,258	**6,737**	**-**	**100,265**

2022

	Thousands of Euros			
	2021	Additions	Disposals	2022
Deferred tax liabilities	86,791	6,737	-	93,258
	86,791	**6,737**	**-**	**93,258**

7.6 Tax credit carryforwards

As of September 30, 2023, the Company does not have any deductions pending application or tax loss carry forwards.

7.7 Years open for review and tax audits

Under current legislation, taxes cannot be considered definitively settled until the returns filed have been inspected by the tax authorities or the four-year statute of limitations period has elapsed. The Company has the last four years open for inspection for all applicable taxes.

The Company's directors consider that the settlements of the aforementioned taxes have been properly made and, therefore, even if discrepancies arise in the interpretation of the tax regulations applicable to the transactions during the year open to inspection, any resulting liabilities, should they materialize, would not have a material effect on these financial statements.

8. Income and expenses

8.1 Income from investments in equity instruments

In 2023 and 2022, the Company received 272,774 thousand euros and 192,581 thousand euros in dividends from its investees. (see Note 5.1)

	Thousands of Euros	
	2023	2022
Compañía de Distribución Integral Logista S.A.U.	69,251	66,098
Logista Retail, S.A.U. (*)	5,424	837
Dronas 2002, S.L.U.	18,303	19,757
Logista Freight, S.A.U. (**)	7,500	-
La Mancha 2000, S.A.U.	402	10
Logista Libros, S.L.	-	2,085
CDIL-Compañía de Distribuicao Integral Logista Portugal, S.A.	11,252	10,072
Logista Pharma, S.A.U.	9,639	14,890
Logista Pharma Canarias, S.A.U.	1,199	1,663
Logista France, S.A.S.	70,813	14,850
Logista Italia, S.p.A.	77,450	61,642
Logista Freight Polska, S.p.Z.o.o. (***)	270	59
Compañía de Distribución Integral Logista Polska, S.p.Z.o.o.	1,271	618
TOTAL	**272,774**	**192,581**

(*) Formerly called Logista-Dis, S.A.U.
(**) Formerly named Logesta Gestión de Transporte, S.A.U.
(***) Formerly named Logesta Polska, S.p.Z.o.o.

8.2 Staff costs

The balance of "Staff Costs" in the income statement for 2023 and 2022, amounting to 1,044 thousand Euros and 1,070 thousand euros, respectively, includes the expenses incurred directly by the Company in respect of remuneration of the Board of Directors. At 30 September 2023 and 2022, the Company did not have any employees.

Remuneration of Senior Executives

The senior executive functions are performed by the members of the Management Committee, composed of 9 members as of September 30, 2023 (9 members in 2022) and by the Corporate Audit Director.

The amount of remuneration accrued during 2023 and 2022 by members of senior management amounts to 6,499 thousand euros and 6,304 thousand euros, respectively, excluding executive directors. The above amounts include the amounts recognized in favor of the members of the Management Committee in 2023 and 2022 corresponding to the incentive plan described in Note 4.4.

The indemnities paid in 2023 and 2022 amounted to 293 thousand euros and 2,150 thousand euros, respectively.

The contributions accrued for savings systems in favor of the members of the aforementioned Management Committee in 2023 and 2022 amounted to 377 thousand euros and 329 thousand euros, respectively.

8.3 Audit fees

In 2023 and 2022 the fees for individual and consolidated financial audit services provided by the auditor of the Company's financial statements, or by companies related to the auditor as a result of a relationship of control, common ownership or common management, were as follows:

	Thousands of Euros	
	2023	2022
	EY	EY
Total audit and related services		
Audit services	75	24
Other attesting services	87	25
Total audit and related professional services	**162**	**49**
Other services	**-**	**-**
Total professional services	**162**	**49**

From 30 September 2023 until the date of preparation of the individual financial statements for the financial year 2023, there have been no fees invoiced for non-audit services provided by the company's auditor, Ernst & Young, S.L. (in the financial year 2022 there were no fees invoiced by the company's auditor, Ernst & Young, S.L.).

9. Balances and transactions with related parties

9.1 Balances with related parties

Balances at 30 September 2023 and 2022 with Group, associated and related companies are as follows:

2023

	Thousands of Euros			
	Current Financial Receivable	Accounts Receivable Fiscal Consolidated	Current Financial Payables	Accounts Payables Fiscal Consolidated
Parent Company:				
Imperial Tobacco Limited	-	-	-	-
Companies with control over the Company:				
Imperial Brands PLC	2,289,587	-	-	24
Investees of the Company:				
Compañía de Distribución Integral Logista S.A.U.	288,010	21,413	1,004,216	-
Logista France, S.A.S.	-	-	1,471,968	-
Logista Italia, S.p.A.	-	-	1,262,069	-
Dronas 2002, S.L.U.	-	6,405	-	-
Logista Retail, S.A.U. (*)	-	444	-	-
Logista Freight, S.A.U. (**)	-	561	-	-
Logista Pharma, S.A.U.	-	3,088	-	-
Logista Pharma Canarias, S.A.U	-	417	-	-
La Mancha 2000, S.A.U.	-	85	-	-
Compañía de Distribución Integral de Publicaciones Logista, S.L.U.	-	-	-	68
CDIL-Compañia de Distribuiçao Integral Logista Portugal, S.A.	-	-	12,861	-
Logista Transport Europe B.V	2	-	-	-
Logista Strator, S.L.U.	-	558	-	-
Be to Be Pharma, S.L.U.	-	30	-	-
Logista Payments S.L.U.	-	-	-	5
Publicaciones y Libros, S.A.U.	-	-	-	236
Distribución de Publicaciones Siglo XXI Guadalajara, S.L.	-	-	-	12
Logista Regional de Publicaciones, S.A.U.	-	-	-	57
	2,577,599	**33,001**	**3,751,114**	**402**

(*) Previously named Logista-Dis, S.A.U.
(**) Previously named Logesta Gestión de Transporte, S.A.U.

2022

	Thousands of Euros			
	Current Financial Receivable	Accounts Receivable Fiscal Consolidated	Current Financial Payables	Accounts Payables Fiscal Consolidated
Parent Company:				
Imperial Tobacco Limited	-	-	-	-
Companies with control over the Company:				
Imperial Brands PLC	2,429,584	-	-	-
Investees of the Company:				
Compañía de Distribución Integral Logista S.A.U.	334,533	20,118	1,001,396	23
Logista France, S.A.S.	-	-	1,567,517	-
Logista Italia, S.p.A.	-	-	1,271,774	-
Dronas 2002, S.L.U.	-	6,233	-	-
Logista-Dis, S.A.U.	-	1,497	-	-
Logesta Gestión de Transporte, S.A.U.	-	264	-	-
Logista Pharma, S.A.U.	8,418	3,173	-	-
Logista Pharma Canarias, S.A.U.	-	300	-	-
La Mancha 2000, S.A.U.	-	59	-	-
Compañía de Distribución Integral de Publicaciones Logista, S.L.U.	-	101	-	-
CDIL-Companhia de Distribuiçao Integral Logista Portugal, S.A.	-	-	38,258	
Logista Transport Europe B.V	15,174	-	-	-
Logista Strator, S.L.U.	-	191	-	-
Be to Be Pharma, S.L.U.	-	26	-	-
Logista Payments S.L.U.	-	-		16
Publicaciones y Libros,S.A.U.	-	-		110
. Distrtibuidora de Publicaciones Siglo XXI Guadalajara, S.L.	-	-		2
	2,787,709	**31,961**	**3,878,946**	**151**

Balances and transactions with Imperial Brands

As of June 12, 2014, Imperial Tobacco Enterprise Finance Limited, Compañía de Distribución Integral Logista Holdings, S.A., Compañía de Distribución Integral Logista, S.A.U., Logista Italia, S.p.A. and Logista France, S.A.S., entered into a new mutual agreement for a five-year credit line with a maximum draw down limit of EUR 2,000 million.The purpose of this agreement is to regulate the conditions and terms under which the Logista Group companies will lend Imperial Tobacco Enterprise Finance Limited their cash surpluses on a day-to-day basis in order to optimise their cash flow, as well as the loans from Imperial Tobacco Enterprise Finance Limited to Compañía de Distribución Integral Logista, S.A.U., in order to meet the cash requirements arising from their operations.

Imperial Tobacco Enterprise Finance Limited changed its corporate name on February 29, 2016 to Imperial Brands Enterprise Finance Limited.

On September 1, 2020, an addendum was signed which stipulates that Imperial Brands PLC, as head of the group, guarantees Logista's compliance with all obligations under the agreement until maturity of the agreement.

The addendum establishes a maximum drawdown limit of 2,600 million euros at the European Central Bank interest rate plus a spread of 0.75%. Interest is calculated daily on a 360-day basis and capitalized quarterly.
On August 3, 2023, the reciprocal credit line agreement was renewed effective June 12, 2024.

The terms and conditions of the loan facility mentioned in the preceding paragraphs remain in effect until June 12, 2024. After that date,new conditions have been agreed for this loan, consisting of an increase in the maximum drawdown limit to 3,000 million euros, and a remuneration based on Euribor 6 months plus 75 basis points. These new conditions will remain in force for at least three years, after which date they will be considered renewed unless one of the parties expresses its will not to do so at least 6 months in advance.

Under this agreement, the Company has undertaken not to obtain financing from third parties and not to pay or provide any type of guarantee on its assets unless such transaction is approved by a qualified majority of the Board of Directors.

As of September 30, 2023, the amount of the receivable from Imperial Brands Finance PLC amounts to 2,289,587 thousand euros (2,429,584 thousand at September 30, 2022, with financial income generated in 2023 amounting to 82,885 thousand euros (10,855 thousand euros in 2022).

Balances and transactions with Compañía de Distribución Integral Logista, S.A.U.

On June 18, 2014 Compañía de Distribución Integral Logista, S.A.U. and the Company entered into a credit line and surplus loan contract whose amount and maturity were modified in successive addenda. During the 2022 financial year, both companies formalized a surplus loan contract for a maximum amount of 400 million euros and maturing on September 30, 2023. Based on said contract, the daily balance of the loan is remunerated at the interest rate of the European Central Bank plus a spread of 0.75%.

During the 2023 fiscal year, both companies formalized an addendum extending the surplus loan facility by an additional 100 million euros, leaving the new limit at 500 million euros and maturing on September 30, 2023.

During the 2023 financial year, the financial income from interest derived from this credit agreement amounted to 10,866 thousand euros of financial income in the 2023 financial year (2,850 thousand euros in 2022).

With effect from March 3, 2021, the Company entered into an agreement with Compañía de Distribución Integral Logista, S.A.U. in which it confers and entrusts Compañía de Distribución Integral Logista, S.A.U. with the provision of financial services for the subsidiaries of the group, understanding as such the financial services of cash management, loans, financial guarantees or any other financial service that the Company may require from Compañía de Distribución Integral Logista, S.A.U. During fiscal year 2023 the management of financial services has consisted of:

- Re-invoicing of the financial income accrued on the account receivable from Imperial Brands Finance PLC in the amount of 2,289,587 thousand euros, the accrual of interest on which has been managed through Compañía de Distribución Integral Logista, S.A.U. and,

- Accrual of cashpooling debit positions with Compañía de Distribución Integral Logista, S.A.U. that have taken place during 2023.

At 30 September 2023 the Company has a financial account payable amounting to 1,004,216 thousand euros (1,001,396 thousand euros in 2022).

Also, the Company is head of, and responsible for the obligations of, the consolidated income tax group. Consequently, the Company recognized an account payable to Compañía de Distribución Integral Logista, S.A.U. of 21,413 thousand euros under "Debts with Group Companies and Associates" (2022: 20,118 thousand euros).

Balances and transactions with Logista Italia, S.p.A.

At September 30, 2023, the amount of this financial debt amounted to 1,262,069 thousand euros (1,271,774 thousand euros at September 30, 2022), accruing a financial expense in the income statement of 39,782 thousand euros (9,218 thousand euros in 2022).

The aforementioned financial relations contract is remunerated at the interest rate of the European Central Bank plus a spread of 0.75%.

Balances and transactions with Logista France, S.A.S.

At September 30, 2023, the amount of this financial debt amounted to 1,471,968 thousand euros (1,567,517 thousand euros at September 30, 2022), accruing a financial expense in the income statement of 53,136 thousand euros (12,620 thousand euros in 2022).

The aforementioned financial relations contract is remunerated at the interest rate of the European Central Bank plus a spread of 0.75%.

Balances and transactions with CDIL-Compañia de Distribuiçao Integral Logista Portugal, S.A.

At September 30, 2023, the amount of this financial debt amounted to 12,859 thousand euros (38,258 thousand euros at September 30, 2022), accruing a financial expense in the income statement of 2,130 thousand euros (531 thousand euros in 2022).

The aforementioned financial relations contract is remunerated at the interest rate of the European Central Bank plus a spread of 0.75%.

9.2 Related party transactions

Details of the Company's transactions during the year with Group companies, associates, its majority shareholder and related parties are as follows:

2023

	Thousands of Euros		
	Dividends (Note 8.1)	Financial Income	Financial Expenses
Parent Company:			
Imperial Tobacco Limited	-	-	-
Companies with control over the Company:			
Imperial Brands PLC	-	82,885	-
Investees of the Company			
Compañía de Distribución Integral Logista S.A.U.	69,251	10,866	-
Logista Retail, S.A.U. (*)	5,424	-	-
Dronas 2002, S.L.U.	18,303	-	-
Logista Freight S.A.U. (**)	7,500	-	-
La Mancha 2000, S.A.U.	402	-	-
Logista Libros, S.L.	-	-	-
CDIL-Company de Distribuiçao Integral Logista Portugal, S.A.	11,252	-	2,130
Logista Pharma, S.A.U.	9,639	-	-
Logista Pharma Canarias, S.A.U.	1,199	-	-
Logista France, S.A.S.	70,813	-	53,136
Logista Italia, S.p.A.	77,450	-	39,782
Logista Freight Polska, S.p.Z.o.o. (***)	270	-	-
Compañía de Distribución Integral Logista Polska, S.p.Z.o.o.	1,271	-	-
	272,774	**93,751**	**95,048**

(*) Previously named Logista-Dis, S.A.U.
(**) Previously named Logesta Gestión de Transporte, S.A.U.
(***) *Previously named* Logesta Polska, S.p.Z.o.o.

2022

	Thousands of Euros		
	Dividends (Note 8.1)	Financial Income	Financial Expenses
Parent Company:			
Imperial Tobacco Limited	-	-	-
Companies with control over the Company:			
Imperial Brands PLC		10,855	
Investees of the Company			
Compañía de Distribución Integral Logista S.A.U.	66,098	11,186	
Logista-Dis, S.A.U. (*)	837	-	-
Dronas 2002, S.L.U. (*)	19,757	-	-
Logesta Gestión de Transporte, S.A.U. (*)	-	-	-
La Mancha 2000, S.A.U. (*)	11	-	-
Company de Distribuiçao Integral Logista Portugal, S.A.	2,085	-	-
Logista Libros, S.L. (*)	10,072	-	531
Logista Pharma, S.A.U. (*)	14,890	-	-
Logista Pharma Canarias, S.A.U. (*)	1,663	-	-
Logista France, S.A.S. (*)	14,850	-	12,620
Logista Italia, S.p.A. (*)	61,642	-	9,218
Logesta Polska, Z.o.o. (*)	59	-	-
Logista Polska, Z.o.o.. (*)	618	-	-
	192,581	**22,041**	**22,369**

During the financial years 2023 and 2022 the Company has received dividends from its investees as described in Note 8.1.

Financial income and expenses mainly correspond to interest accrued on short-term loans granted to these companies (see Note 9.1).

9.3 Remuneration o Board Directors

In 2023 and 2022 the remuneration accrued by the members of the Board of Directors by reason of their membership of the Board of Directors or of any of its delegated committees for all items, included under the heading "Personnel Expenses" in the accompanying income statement, together with the remuneration accrued through Compañía de Distribución Integral Logista, S.A.U. by the members of the Board who are also executives, amounted to 7,208 thousand euros and 4,996 thousand euros, respectively.

Contributions to savings schemes for executive directors in 2023 and 2022 amounted to 445 thousand euros and 251 thousand euros, respectively.

The amount of the life insurance premium for executive directors amounted to 6 thousand euros in both 2022 and 2023 fiscal years.

The Company has long-term incentive plans for executive directors, the cost and characteristics of which are detailed in Note 4.4.

The Directors' civil liability bonus amounts to 138 thousand euros and 139 thousand euros in 2023 and 2022, respectively.

On the other hand, in 2023 and 2022 the Company has not entered into any transactions with the members of the Board of Directors outside the ordinary course of business or transactions under conditions other than normal market conditions.

The members of the Board of Directors are 7 men and 5 women.

9.4 Information on conflicts of interests on the part of Directors

As per art.229 of the Law on Corporations, no Director has informed any situation of direct nor indirect conflict of interests with the Company.

10. Guarantee commitments to third parties and other contingent liabilities

The Company does not have guarantee commitments to third parties nor other contingent liabilities identified at 30 September 2023 and 2022.

11. Disclosures on the payment periods to suppliers. Additional Provision Three "Disclosure obligation" provided for in Law 15/2010, of 5 July

Set forth below are the disclosures -the detail of payments made to suppliers- required by Additional Provision Three of Law 15/2010, of 5 July (amended by Final Provision Two of Law 31/2014, of 3 December), prepared in accordance with the Spanish Accounting and Audit Institute (ICAC) Resolution of 29 January 2016 on the disclosures to be included in notes to financial statements in relation to the average period of payment to suppliers in commercial transactions.

	Days	
	2023	2022
Average period of payment to suppliers	36	20
Ratio of transactions settled	36	20
Ratio of transactions not yet settled	9	23

	Thousands of Euros	
	2023	2022
Total payments realized	827	549
Total outstanding payments	5	-
Monetary volume of invoices paid in a period lower than the maximum established in the late payment regulations.	716	511
Percentage of payments below the maximum amount paid as a percentage of total payments made.	87%	93%

	Number of Invoices	
	2023	2022
Invoices paid in a period shorter than the maximum period established in the late payment regulations.	133	163
Total Invoices	142	173
Percentage of total invoices	94%	94%

In accordance with the ICAC Resolution, the average period of payment to suppliers was calculated by taking into account the commercial transactions relating to the supply of goods or services for which payment has accrued since the date of entry into force of Law 31/2014, of 3 December.
The figures shown in the foregoing table relate to suppliers of goods and services and, therefore, they include the figures relating to "Payable to Suppliers" and "Sundry Accounts Payable" under current liabilities in the balance sheet.

The maximum payment period applicable to the Company in 2021 under Law 11/2013, of 26 July, on combating late payment in commercial transactions, was 30 days unless the parties have entered into an agreement for a maximum period of 60 days.

12. Environmental aspects and risks related to climate change

The risk management system of the group, of which the Company is the parent company includes climate change among its environmental risk, and no relevant environmental risks have been identified as of the date of this report, excluding the climatic risks detailed in the tables below:

Type of physical risk	Climate hazard category	Description of the potential impact of the physical climate risk hazard
Acute	Heavy rainfall (rain, hail, snow or ice)	Damage to assets (warehouses or vehicles in use)

Type of transition risk	Description of the transition risk	Description of the potential impact of the physical climate risk hazard
Current and emerging regulations	Increase in costs of GHG emissions	Increase in carbon pricing in the supply chain which is passed on to the end consumer
Technological	Cost of transitioning to lower-emission technology	Higher cost of decarbonising our fleet of vehicles by replacing them with electric substitutes, intermodal transport options and vehicles that run on biodiesel.

As detailed above, the group is potentially exposed to the consequences derived from climate change. On the one hand, there are physical risks, such as extreme weather events, that could affect the infrastructure and transportation and, on the other, transition risks, given that global trends to reduce the causes and consequences of climate change can entail economic, regulatory and, technological and/or reputational.

The process of prioritizing climate-related risks follows the same phases as the group's risk management process, although considering the casuistry and particularities of the recommendations. After examining physical risks and climate-related transition risks, a total of 25 physical inherent risks and 15 transition inherent risks were identified with a possible impact for Logista, of which only those detailed in the table above were considered relevant. Once their evaluation has been completed, no residual physical or transition risk has turned out to be significant.

The initiatives carried out by the Company regarding climate change have not entailed an accounting impact in the year or a significant change in the estimates made by Management.

The current environmental regulations do not significantly affect the activities carried out by the Group, and for this reason there are no responsibilities, expenses, income, subsidies, assets, provisions, or contingencies of an environmental nature that could be significant in relation to the assets, the situation financial and its results. Consequently, no specific breakdowns are included in these annual accounts regarding information on environmental aspects.

13. Events after the reporting period

There have been no significant events after the end of the year that have had a significant impact on the financial statements.

14. Explanation added for translation to English

These financial statements are presented on the basis of the regulatory financial reporting framework applicable to the Company (see Note 2.1). Certain accounting practices applied by the Company that conform to that regulatory framework may not conform with other generally accepted accounting principles and rules. In the event of discrepancy, the Spanish-language version prevail.

Compañía de Distribución Integral Logista Holdings, S.A.

Directors Report for financial
year ended 30th September 2023

1. EVOLUTION AND POSITION OF THE COMPANY IN 2023

Due to its Holding Company condition, the Company has not operations and carries out its activity through its operating company, Compañía de Distribución Integral Logista, S.A.U. and rest of the Group's companies.

Logista is one of the largest logistics operators in Southern Europe, specialising in distribution to local retail network.

We regularly serve almost 200,000 points of sale in Spain, France, Italy and Portugal, facilitating manufacturers with the best and fastest access to a wide array of convenience products, pharmaceutical products, electronic top-ups, books, publications, tobacco and lottery markets among others. We also offer international and domestic high value-add logistics services. Our operations in the Netherlands and Poland complete our catalogue of services.

We offer our clients innovation, sustainable growth and long-term value, tailoring our services to meet their specific and growing needs in a constantly changing world.

The Logista's share price was 24.2 euros at closing of fiscal year 2023 (September 30, 2023). So, the Logista's market capitalization amounted 3,212.6 million euros at closing of fiscal year 2023.

During the fiscal year 2023, the Company's revenues from the distribution of dividends paid by Group's companies were 272,774 thousand euros (192,581 thousand euros in 2022).

The Company paid a FY2022 final dividend amounted 125 million euros on February 23, 2023, and paid a 2023 interim dividend for 65 million euros on August 28, 2023.

Besides the own shares acquired in accordance with the liquidity agreement signed with Banco Santander S.A. on January 20, 2021, the Company acquired 141,000 own shares during the fiscal year 2023, mainly to cover undertakings to award shares in the future, under the directors' long-term remuneration schemes of the Group of which the Company is the head. These shares were acquired in the following dates:

Date	Number of shares	Average price
06/10/2022	23,000	19.09
07/10/2022	23,000	18.97
10/10/2022	21,988	19.07
11/10/2022	23,000	19.03
12/10/2022	23,000	19.03
13/10/2022	23,000	19.12
14/10/2022	4,012	19.48

1.1 Research and Development activities

The Company did not make any investments in research and development activities in the fiscal year 2023.

1.2 Treasury shares

At 30 September 2023, the Company holds 883,955 own shares (877,939 own shares in 2022).

1.3 Outlook for the Company

As the Company is a holding company, the Company's outlook is linked to the performance of the companies that form the Group.

2. RISK EXPOSURE

The corporate Risk Management system applicable to the Company is set out in Logista's General Risk Management Policy, amended on September 22, 2021, as well as in its procedure, which aims to implement an integrated risk management system, in order to provide a tool to assist the Board of Directors and Logista's Management in optimizing results, with a view to improving its capabilities to create, preserve and ultimately achieve the attainment of value.

This Policy establishes the commitments for the control and management of external and internal risks, of any nature, that may affect Logista at any time in order to achieve its objectives, assigning responsibilities, defining the types of risks, defining the risk appetite, establishing measures for their management, as well as the periodic supervision of the system, so as to allow, in addition, the efficient allocation of resources, guarantee the reliability of financial and non-financial information, establishing the guidelines for transparency and good corporate governance and increasing the range of opportunities available.

This Policy defines the categories or types of risk, where within the risks of a financial nature, tax and credit risks derived from the Company's operations are included.

In addition, the tax strategy defined in Logista's Tax Policy, updated in July 2023, has among its main objectives:

- Minimize the tax risks associated with operations, as well as with the strategic decisions of each company, ensuring that taxation is appropriate and balanced with business operations, material and human resources, and business risks.

- Defining tax risks and determining the Internal Control Objectives and Activities, as well as establishing a tax compliance reporting and documentation maintenance system, integrated into Logista's General Internal Control Framework.

On the other hand, Logista's General Internal Control Policy, dated April 25, 2017, establishes the general framework of action for the control and management of external and internal risks, of any nature, which may affect at any time, in accordance with the Risk Map in force at any time, for the achievement of its objectives.

Given the Company's status as a public interest entity, as its securities are currently listed on the stock exchange and it is the holding company of the Logista Group, the Company's main risk is that arising from a possible breach of the regulatory framework to which it is subject, as well as changes in tax regulations. However, the Company has a low tolerance level with respect to this risk and has established policies, procedures and controls to identify, prevent and mitigate the impact, as well as to comply with the obligations imposed by the various applicable legislations.

The Company evaluates whether there is any indication of impairment in the value of any asset and, if such indication exists, makes the appropriate valuation adjustments, provided that there is objective evidence that the carrying amount of the investment is not recoverable.

On the other hand, from a financial perspective, the main financial risks faced by the Company can be summarized as follows:

The Company's main financial assets are cash and cash balances and loans to Group companies, which represent the Company's maximum exposure to credit risk. On the other hand, the Company is exposed to credit risk with Imperial Brands, by virtue of the cash transfer agreements entered into, as set forth in Note (9) to the accompanying financial statements.

Notwithstanding the foregoing, the Company estimates that as of September 30, 2023, the level of exposure to credit risk of its financial assets is not significant.

In order to ensure liquidity and to be able to meet all payment commitments arising from its normal activity, the Company maintains sufficient cash and cash equivalents. If necessary, the Company would have available credit lines.

As regards exposure to interest rate risk, given the Company's lack of financial indebtedness, Management considers that the impact that a potential increase in interest rates could have on the accompanying financial statements is not significant.

Likewise, the level of exposure of shareholders' equity and the income statement to the effects of future changes in the level of current exchange rates is not relevant.

Regarding to risks related to climate change, the risk management system of the group, of which the Company is the parent company includes climate change among its environmental risk, and no relevant environmental risks have been identified as of the date of this report, excluding the climatic risks detailed in the tables below:

Type of physical risk	Climate hazard category	Description of the potential impact of the physical climate risk hazard
Acute	Heavy rainfall (rain, hail, snow or ice)	Damage to assets (warehouses or vehicles in use)

Type of transition risk	Description of the transition risk	Description of the potential impact of the physical climate risk hazard
Current and emerging regulations	Increase in costs of GHG emissions	Increase in carbon pricing in the supply chain which is passed on to the end consumer
Technological	Cost of transitioning to lower-emission technology	Higher cost of decarbonising our fleet of vehicles by replacing them with electric substitutes, intermodal transport options and vehicles that run on biodiesel.

As detailed above, the group is potentially exposed to the consequences derived from climate change. On the one hand, there are physical risks, such as extreme weather events, that could affect the infrastructure and transportation and, on the other, transition risks, given that global trends to reduce the causes and consequences of climate change can entail economic, regulatory and, technological and/or reputational.

The process of prioritizing climate-related risks follows the same phases as the group's risk management process, although considering the casuistry and particularities of the recommendations. After examining physical risks and climate-related transition risks, a total of 25 physical inherent risks and 15 transition inherent risks were identified with a possible impact for Logista, of which only those detailed in the table above were considered relevant. Once their evaluation has been completed, no residual physical or transition risk has turned out to be significant.

The initiatives carried out by the Company regarding climate change have not entailed an accounting impact in the year or a significant change in the estimates made by Management.

The current environmental regulations do not significantly affect the activities carried out by the Group, and for this reason there are no responsibilities, expenses, income, subsidies, assets, provisions, or contingencies of an environmental nature that could be significant in relation to the assets, the situation financial and its results. Consequently, no specific breakdowns are included in these consolidated annual accounts regarding information on environmental aspects.

3. USE OF FINANCIAL INSTRUMENTS

The Company does not perform transactions with financial instruments that might affect the correct measurement of the assets or liabilities recognised in the balance sheet.

4. SIGNIFICANT EVENTS FOR THE COMPANY AFTER THE REPORTING PERIOD

No events significantly affecting the accompanying financial statements took place after the end of the fiscal year 2023.

5. ANNUAL REPORT ON CORPORATE GOVERNANCE

The following reports, (i) Annual Corporate Governance Report and (ii) Annual Board Remuneration Report, corresponding to fiscal year 2023, form part of this Management Report, are available in full version on the website of the National Securities Market Commission (www.cnmv.es) and on the Parent Company's website (www.logista.com), and are reported as Other Relevant Information (OIR) to the CNMV.